

FBIS

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FOREIGN MINISTRY HOLDS WEEKLY NEWS BRIEFING

Urges Soviet Afghan Pullout

OW300740 Beijing XINHUA in English 0719 GMT 30 Jul 86

[Text] Beijing, July 30 (XINHUA) -- The key to the political settlement of the Afghan question lies in the prompt and complete withdrawal of Soviet troops from Afghanistan.

A Foreign Ministry spokesman gave this reply when asked on the Chinese Government's reaction to the statement by Soviet leader Mikhail Gorbachev July 28 about the withdrawal of some of the Soviet troops from Afghanistan by the end of this year.

The Chinese Government hopes that the Soviet Union will reach an agreement with all the parties concerned soon as possible on the timetable of the prompt withdrawal of all Soviet troops from Afghanistan, the spokesman said.

Resents Japan's Textbook Remark

OW300535 Tokyo KYODO in English 0506 GMT 30 Jul 86

[Text] Beijing, July 30 KYODO -- China resents a comment made last Friday by Japan's new Education Minister Masayuki Fujio about a controversial Japanese history textbook, but China does not intend to make further comments on the issue, a spokesman for the Chinese Foreign Ministry said Wednesday.

The spokesman, delivering China's first official statement on Fujio's remark, said, "The statement was regrettable. We resent the statement." But, he added "we are not going to make further comment on the issue considering the fact that the Japanese Government has been paying attention to the subsequent situation of Fujio's remarks," suggesting China will take a wait-and-see stance on the attitude of the Japanese Government.

Japan's SANKEI SHIMBUN reported Fujio as telling reporters that those who complain of Japan's textbook should first look back to see if they did not have a similar history. "Similar history" implies invasion of foreign countries.

Fujio's remarks came after the Japanese Government subdued a dispute over the nationalistic content of a history textbook by instructing the authors to make corrections.

ZHAO ZIYANG MEETS 3 OUTGOING AMBASSADORS

OW291110 Beijing XINHUA in English 0539 GMT 29 Jul 86

[Text] Beijing, July 29 (XINHUA) -- Premier Zhao Ziyang met three outgoing ambassadors to China here this morning. They are Salvador Ela Nseng Abegue, ambassador from Equatorial Guinea to China,, Dhimiter Stamo, Albanian ambassador to China, and A.G.O. Smitsendonk, ambassador from the Netherlands to China.

SOVIET SUPPORT FOR KABUL REGIME REITERATED

OW290326 Beijing XINHUA in English 0034 GMT 29 Jul 86

[Text] Moscow, July 28 (XINHUA) -- Soviet Foreign Minister Eduard Shevardnadze pledged here today that Moscow would firmly support the Kabul regime, according to the official news agency TASS.

In a meeting with Kabul's Foreign Minister Shah Mohammad Dost, Shevardnadze said "The Soviet Union will always firmly support the efforts" of the Kabul regime "in defending its sovereignty reliably."

The meeting was held as Kremlin leader Mikhail Gorbachev announced that the Soviet Union will withdraw six regiments of its troops from Afghanistan by the end of this year.

Gorbachev's promise to withdraw some 7,000 Soviet troops from Afghanistan came in a major speech given today in the far eastern port of Vladivostok.

PRC ECONOMIC, TRADE DELEGATION RETURNS FROM USSR

OW291414 Beijing XINHUA in English 1336 GMT 29 Jul 86

[Text] Beijing, July 29 (XINHUA) -- A Chinese economic and trade delegation headed by president of the China Council for the Promotion of International Trade Jia Shi returned here from the Soviet Union today.

During the delegation's stay in Moscow Jia Shi presided over the opening ceremony of a Chinese economic and trade exhibition and held talks with officials of the Soviet Board of Chamber of Commerce and Industry. He also signed an agreement on exchanges of economic and trade exhibitions between the two countries during the next five years.

USSR POET'S DEATH ANNIVERSARY MARKED IN PRC

OW290948 Beijing XINHUA in English 0931 GMT 29 Jul 86

[Text] Beijing, July 29 (XINHUA) -- The 145th anniversary of the death of the Russian poet, Mikhail Yurivich Lermontov (1814 - 1841), was marked at a meeting here today. Among those attending were Liu Gengyin, vice-president of the Chinese People's Association for Friendship With Foreign Countries, and Chinese writers and translators, as well as V.P. Fedotov, charge d'affaires ad interim of the Soviet Embassy in Beijing.

Gu Yunpu, associate professor of Beijing University, gave a report on Lermontov's life and his contributions to world literature.

Works of Lermontov was introduced to China at the beginning of this century. Up to now, most of his works including all his lyric poems have been translated into Chinese.

RENMIN RIBAO COMMENTARY ON SOVIET REFORM

HK300220 Beijing RENMIN RIBAO in Chinese 26 Jul 86 p 7

[Commentary by Fang Xuan: "The Soviet Reform Process"]

[Text] Since the CPSU Central Committee called for reform at its plenary session in April last year and the 27th CPSU National Congress established the strategy for speeding up economic development, more than 1 year has passed and the reform process in the political, economic, cultural, and educational fields in Soviet society is rather noticeable. Initial results have been achieved in the economic field: The downward tendency of the economic growth rate in the past 10 years and more has been reversed. The planned target of this year's industrial output value growth rate is 4.3 percent, and the actual growth rate in the first half of the this year already reached 5.6 percent; the planned target of this year's productivity growth rate is 4.1 percent, and the actual rate in the first half of this years has already reached 5.2 percent. However, the reform as a whole remains at the preparatory stage, and the Soviet leadership still holds that the reform is advancing too slowly and is confronted with many obstacles.

Since the 27th CPSU National Congress, in order to reform its economic management structure, the Soviet Union has set up the Peasants and Workers Commission, the Management Bureau of the Machine-Building Industry, the Comprehensive Management Bureau for the Fuel and Power Industry of the USSR council or ministers, and the State Commission for Computing and Information Technology, in order to coordinate the management of some related departments in the same categories and promote their exchange of technology and information. At present, one-third of Soviet companies and enterprises are operating under the new management system. They must bear sole responsibility for their profits and losses and must conduct comprehensive economic accounting. Beginning from 1 July, another group of enterprises also adopted the new management system. The Soviet leadership holds that management in light industry must be rapidly improved, and has decided that all enterprises and corporations in light industry will begin to conduct economic accounting, raise funds for themselves, and bear sole responsibility for their own profits and losses from January next year. At the same time, successful reform experiences of various localities are being spread. Estonia is advancing ahead of other areas in reform. It allows factories producing consumer goods to open shops to sell their goods in a commercial reform move, and this measure has achieved good results.

The Soviet reform has gradually spread in more departments and localities. Reform has been included in the party's routine work plan. PRAVDA and the magazine KOMMUNIST recently issued editorials and articles emphasizing the need to reform the party's work and to educate party members and people. In late May, the Soviet Union published the draft basic guidelines for reforming higher education and secondary vocational education. The document points out that technological progress and the scale and speed of the intensification of the national economy, are determined to a large extent by the professional capability of cadres. The Fifth National Congress of Film Workers, which was held recently, pointed out that most films do not have high artistic quality and analyzed the reasons for this problem. At that meeting, some people held that economic accounting should be a main principle for reform of the film production system, but the methods for commodity production should not be copied indiscriminately.

The power to approve the production of a film can be devolved to the film studios so that may bring their collective initiative into play and can put forward constructive proposals. Experiments of expanding autonomy are also carried out in drama troupes, which are now allowed to independently determine the plays and dramas for performance. Targets imposed by the upper authorities to the drama troupes have been reduced from 11 items to merely three items. On 19 June, when receiving a group of Soviet writers and artists, Gorbachev said that their country was undergoing a "period of changes," with "reform being required by the democratization of life." He said that the "ossified phenomena" must be overcome, and literary and art creations should reveal the conflicts of contradictions and the "intense struggles" for fulfilling the current reform tasks.

Since the 27th CPSU National Congress, heated discussions have been unfolded in Soviet theoretical circles. Newspapers and journals have published many articles to advocate reform and criticize the old ideas and concepts. They provide a theoretical foundation for reform. Aganbegyan, a member of the Soviet Academy of Sciences, recently published an article on reform. He pointed out that the Soviet Union must thoroughly reform the industrial management system and the new system should at least meet these three requirements: all production must be oriented to social needs; the management system must be favorable to enhancing economic efficiency and product quality and to accelerating technological progress; and the new system must ensure economic democracy and the workers' participation in enterprise management. When discussing the reform of the economic management system, many scholars have emphasized that a major problem in the Soviet economy is the fact that the management form lags behind the development of the productive forces. Abaerjin [7093 1572 1422 6855], a correspondent member of the Soviet Academy of Sciences, recently published an article in PRAVDA, saying that although the socialist relations of production have opened a broad field for the development of productive forces, such production relations still need to further improve; otherwise, economic progress will be obstructed. Therefore, flexible steps must be taken to improve all links of the socialist production relations.

Gorbachev, general secretary of the CPSU Central Committee, stressed in a speech at the National Congress of the Communist Party of Poland in June: "The reform we have been actively carrying out is all-embracing," and "We must not waste even a single day on hesitation and must accelerate our process." However, the Soviet reform has also encountered many obstacles and contradictions and cannot advance quickly. Many leading cadres at the intermediate levels still feel disgruntled and skeptical about reform or even take action to resist and disturb reform. There are a large number of cases in which reformists have been attacked or suppressed. Gorbachev criticized some leaders who "tried to protect their vested interests by every possible means." At the CPSU Central Committee's plenary session in June, he summed up the "elementary experience of reform" and emphasized that the CPSU central leadership supports all reform-oriented policies and "will resolutely fight all things which hinder this reform process." When evaluating the Soviet reform process and the situation, he said that the objective of reform and the line for the reform have been "clearly specified" and the concrete ways will be further explored through practice.

WANG ZHEN GREETES PRC, JAPANESE MICROBIOLOGISTS

OW290950 Beijing XINHUA in English 0824 GMT 29 Jul 86

[Text] Beijing, July 29 (XINHUA) -- A total of 102 Chinese and Japanese experts in applied microbiology began to share their research results at a three-day symposium here today.

In a letter of congratulations to the gathering, Wang Zhen, honorary president of the China-Japan Friendship Association, expressed his belief that the symposium would promote progress in the research of applied microbiology. "It will also contribute to the friendship between the people of China and Japan from generation to generation," he added.

Aimed at enhancing mutual understanding, and promoting exchanges and cooperation between the two sides in the coming years, biologists of the two countries will concentrate their exchanges on basic research in this field and the applications of microbiology to waste water treatment, anaerobic digestion (biogas fermentation), fermentative production of amino acids, oil exploitation, production of antibiotics and hormones, and other biological engineering projects.

Participants in the symposium are specialists and professors from research institutions, schools and enterprises of China and Japan. Among the 22 Japanese participants is Dr. Kei Arima, Professor Emeritus of Tokyo University and president of the Japanese Association of Industrial Fermentation. Among the 80 Chinese participants, most are young and middle aged; the youngest is just 23 and the eldest, 87.

The symposium is sponsored by the Chinese Academy of Sciences (Academia Sinica) with the support of the Japan Society for the Promotion of Science and Suntory Limited of Japan.

ROUNDUP VIEWS ROK CONSTITUTIONAL REVISION

OW291408 Beijing XINHUA in English 1352 GMT 29 Jul 86

["Round-up: Formal Discussion of Constitution Revision To Pave Way for Democracy in South Korea (by Gao Haorong)"] -- XINHUA headline

[Text] Pyongyang, July 29 (XINHUA) -- After a long and bitter argument over revising the Constitution, South Korea's ruling and opposition parties finally have agreed to establish a special parliamentary committee to start drafting changes in the present six-year-old Constitution.

The committee, scheduled to meet Wednesday, reportedly includes 23 members from the ruling Democratic Justice Party (DJP), 17 from the opposition New Korea Democratic Party (NKDP) and five from other opposition parties.

Since the agreement was signed, the ruling and opposition parties have been locked in a sharp political confrontation over what system should be adopted to elect "state leaders."

Chon Tu-hwan, "president" of South Korea, is due to step down in 1988 after seven years in office.

The ruling Democratic Justice Party has proposed to transform the present presidential system into a parliamentary cabinet one, and is studying the Constitutions of Japan and Federal Germany.

Local observers believe that the new proposal was made for two reasons. One is the present Constitution, which placed the administrative, legislative and judicial powers in the hands of the president alone, has aroused increasing public indignation throughout South Korea. The other is that the ruling party is taking a majority of seats in Parliament, and it is very likely that the ruling party, as it believes, can still control the "Parliament" even under the proposed new system.

Although Chon has declared he will "give up political power peacefully" when his presidential term expires, the possibility cannot be ruled out that he expects to remain a "state leader," an honor position, after a cabinet system is introduced. However, the opposition New Korea Democratic Party, the largest in South Korea, is insisting on a "direct presidential election," where the people have the biggest say in who they want as a leader.

The NKDP, founded last January, is led by some old and experienced politicians and statesmen. In February, it initiated a signature campaign to press for changes in the present Constitution. More than 700,000 people so far have signed the petition.

With the nationwide movement for a political democracy, the NKDP is expected to win by large margins in future parliamentary elections, local observers said.

Kim Yong-sam, one of the NKDP leaders, said the DJP "should be well prepared to be a party not in office."

To win public support, the ruling DJP has held various meetings to propagate its ideas and to criticize the opposition-proposed direct presidential election system.

Meanwhile, the Chon administration has begun suppressing its opposition. Well-known opposition leader Kim Tae-Chung, who was put under house arrest last week for the 28th time since he returned from two years of exile in the United States in 1985, has been banned from all political activities.

However, the NKDP waged tit-for-tat struggles, including mass rallies and demonstrations, demanding a democratic system. The opposition party accused the ruling party of "attempting to prolong its rule," and warned of the possibility of a military coup or a bloody revolt if direct presidential elections are not implemented. The NKDP also demanded the release of all political prisoners, lifting arrest orders and resumption of freedom to hold political activities.

The opposition parties' persistent efforts for democracy make a formal discussion of revising the Constitution possible. But, it is only a beginning. Before a real democratic constitution is worked out, a long and heated debate will resound throughout South Korea.

FILM DELEGATION MEETS PHILIPPINES' LAUREL

OW281444 Beijing XINHUA in English 1410 GMT 28 Jul 86

[Text] Manila, July 28 (XINHUA) -- Philippine Vice-President and Foreign Minister Salvador Laurel and Mrs Laurel today received the Chinese film delegation headed by Hu Jian, general manager of the China Film Export-Import Corporation.

During the lively and friendly talk held at the vice-president's office, Laurel recalled his recent visit to China on June 15-18 and expressed his appreciation of the warm welcome and hospitality he and his party got in China.

Laurel said he was very happy to meet famous Chinese film stars here and hoped that the Chinese guests would visit the Philippines again. After the meeting, Laurel and his wife held a cocktail party for the Chinese film delegation.

The delegation arrived in Manila on July 8 to participate in the activities of the Chinese film week beginning from July 19 as part of a cultural exchange program between China and the Philippines. Seven Chinese films were shown during the week. The delegation is scheduled to leave Manila for home tomorrow.

ROUNDUP VIEWS PHILIPPINE FINANCIAL MOVES

OW291124 Beijing XINHUA in English 0654 GMT 29 Jul 86

["Roundup: Philippines, International Monetary Institutions Disagree Over Import Liberalization (by Zhao Shuyao)" -- XINHUA headline]

[Text] Manila, July 28 (XINHUA) -- Ongoing negotiations between the Philippines and two major international financial institutions for a new standby credit agreement have entered a final and delicate stage.

Since July 17, Philippine Government officials and a mission of the World Bank and the International Monetary Fund (IMF) have been haggling about three preconditions the World Bank and the IMF have imposed on the Philippines for signing the credit agreement. The two lenders would like to see tax reform, restriction of government financial institutes and freer access for imports to the Philippines.

The two sides have reached agreement on the first two preconditions, Import liberation, however, has become a "sticky issue" in the talks as it involves competing interests of the creditor and debtor.

The World Bank and the IMF have demanded across-the-board import liberalization for the Philippines that would allow access for a list of 1,235 products without prior government approval.

The Philippine Government has already eased restrictions on 842 items and will do so for another 71 products later this week. But it has asked the World Bank and the IMF for a delay in removing restrictions on the remaining 322 items, mostly finished products already manufactured locally.

However, the World Bank and the IMF have insisted that restrictions be lifted immediately on all 1,235 items, saying that otherwise new credits for the financially-strapped Philippine economy will not be possible.

That stand has aroused strong opposition from officials and in the Philippine business circles. They warn of ill effects due to the deregulation and have asked the government to think twice before making its final decision.

The Philippines is faced with a foreign debt of 26 billion U.S. dollars and the government deficit is expected to reach about 1.35 billion U.S. dollars this year. To finance the deficit, the country will need more than one billion U.S. dollars from abroad, but what has been committed so far from foreign sources comes to just 501 million U.S. dollars. This has compelled the government to ask the World Bank and IMF for loans.

Some business leaders wonder if, as the lending institutions say, decontrol of imports to the Philippines would benefit both creditor and debtor.

In a letter to Philippine President Corazon Aquino, five industry associations said that the full liberalization program "is a deliberate means for about 21 industrial countries of 149 member nations of the World Bank and IMF to make the Philippines go back to import dependence" and "will put the Philippines entirely out of place amid the growing trend of protectionism in world trade."

All major industrialized countries are tightening trade restrictions, such as quotas, quarantining and health regulations, so-called orderly marketing arrangements and licensing requirements, to hamper the entry of products of developing countries, the business leaders said. Meanwhile, they are trying to sell their excess products to less developed countries at very low prices. Such protectionist measures have already worsened the Philippines' current account balance, they said.

The letter claimed that if a developing country opens up its market fully, it will render its industries almost defenseless against the tactics practised in international business, such as dumping, under-declared amounts of home consumption, and technical smuggling.

The Philippines is currently suffering from a severe economic recession, with the domestic market having shrunk to only 40 percent of its normal level. The immediate lifting of import controls would only worsen the present problems of unemployment and industrial over-capacity.

Trade and Industry Minister Jose S Concepcion said he would resist all pressures from the World Bank and the IMF to lift all import restriction. "The Philippine Government deserves a better treatment from the World Bank and the IMF," he said, adding "We have liberalized a number of items, why can't we keep some" under control.

Recognizing all these grievances, President Corazon Aquino recently ordered a review of the import easing program. She and the cabinet must decide at their meeting this week whether to defer or allow the full implementation of import liberalization program the lenders are insisting on.

Observers here say the government faces a very knotty problem in finding an import solution that pleases both the foreign creditors and domestic industrialists.

PRC, FRG SIGN MEMORANDUM ON JOINT PLANE PROJECT

HK300138 Beijing CHINA DAILY in English 30 Jul 86 p 2

[By CHINA DAILY staff reporter]

[Text] A joint efforts is being made between China and the Federal Republic of Germany to develop a new passenger plane for both domestic and international markets.

The China National Aero Technology Import and Export Corporation has recently signed a second memorandum with Messerschmitt-Bolkow-Blohm (MBB) of West Germany to launch the joint feasibility study of the new plane.

This is the first time that China will take part in the whole process of plane manufacture with one of the world's aircraft giants -- from feasibility study to final installation -- a corporation official told CHINA DAILY yesterday.

"This will greatly boost our aircraft manufacturing capability," he said. china began manufacturing commercial passenger planes only in 1980.

The new model, accomodating 60 to 80 passengers, will be designed with advanced technology and is expected to be put on the international market in the mid-1990s.

Development of the new plane will involve a joint investment of an estimated \$1 billion.

The plane, when completely loaded, is designed to fly between 1,600 to 2,400 kilometres without refueling. It can also be used as a cargo plane.

The two companies signed a first memorandum last October for the first phase feasibility study that will be completed next year.

The second phase study will take place form 1983 to 1990. At the moment, technicians from both sides are doing studies on marketing, engineering designs, sales services and co-management.

The fourth joint meeting between the two sides will be held in September in China, the official said.

According to the recent memorandum, China is to establish an office in Hamburg, West Germany, to better co-ordinate the bilateral co-operation and strengthen the relationship between supply and demand.

The chief designer of the project will be from the W. German company and the deputy designer from China.

The Xian Aeroplane Factory in China's Shaanxi Province will undertake part of the installation job but the final installation will be carried out in West Germany.

'TEXT' OF ZHAO ZIYANG MESSAGE TO OAU SUMMIT

OW300215 Beijing XINHUA Domestic Service in Chinese 0625 GMT 29 Jul 86

[Text] Beijing, 29 Jul (XINHUA) -- On behalf of the Chinese Government and people, Zhao Ziyang, premier of the PRC State Council, has sent a message to the 22d Session of the Conference of the Heads of State and Government of the Organization of African Unity [OAU], extending warm congratulations to the meeting. The full text of the message reads:

Addis Ababa

Conference of the Heads of State and Government of the OAU:

At this time when the 22d Session of the Heads of State and Government of the Organization of African Unity is victoriously convened, on behalf of the Chinese Government and people, I wish to extend to you our warmest congratulations.

Since the last OAU summit conference adopted the "Addis Ababa Economic Declaration," African countries have continued to sum up their experience and explore roads of development suitable to their respective conditions, scored gratifying achievements in their great efforts to rejuvenate the African economy. I am deeply convinced that African governments and peoples will overcome all kinds of difficulties standing in their way; fulfill step by step the great historic mission of developing their national economies, improving their livelihood, and building their countries; and make significant contributions to human progress.

Recently, the situation in southern Africa has caused serious concern in the international community. The South African authorities have further intensified their racist rule and bloody suppression of the South African people, stubbornly obstructed the independence of Namibia, and willfully invaded and harassed neighboring countries, further undermining peace and stability in southern Africa. At present, the struggle of the South African people against apartheid and the struggle of the Namibian people for national independence are steadily developing in depth, and the appeal of the international community for sanctions against the racist regime in South Africa is becoming ever stronger. With the solidarity and support of all justice-upholding countries and peoples in the world, the struggle of the South African people and the African people at large against racism and colonialism will continue to make headway until the ultimate realization of the complete liberation of the entire African continent

The Chinese Government and people will, as always, firmly support the African people in their noble cause of safeguarding national independence and revitalizing their economies and the just struggles of the South African and Namibian peoples to their final victory.

I wish the conference complete success!

[Signed] Zhao Ziyang, premier of the State Council of the People's Republic of China

[Dated] 27 July 1986

PRC PLANS INCREASE IN TRADE WITH GULF COUNTRIES

HK300454 Beijing CHINA DAILY (BUSINESS WEEKLY supplement) in English 23 Jul 86 p 2

[By He Qingquan]

[Text] After falling behind for three years running, China's trade with the Gulf countries is expected to resurge this year due to concerted efforts by the Chinese Government to expand exports.

During the first five months of this year, China exported goods worth \$128.9 million to the six Gulf countries. Trade officials called the figure "a sizable increase" over the same period a year ago.

Trade between the two regions is usually heaviest in October and November every year.

The remarkable pick-up in the first five months of the year, traditionally a slower trade period, indicates "fine prospects" ahead, Li Shuilin, an official of the Ministry of Foreign Economic Relations and Trade, told BUSINESS WEEKLY.

Last year, China exported \$380 million worth of goods to the Gulf. To expand exports there, China is diversifying products, centralizing administration and awarding those enterprises that have done well.

New products have spurred trade. Innovation and styling to dress up old products have enticed more consumers.

This year, live sheep, small machinery, and mini production lines are among the new items on the export list.

In the past, Chinese exports to the Gulf were primarily medium-to-low grade foodstuffs, textiles and other light industrial products.

To avoid competition among Chinese companies, which has often resulted in under-cutting prices, the Ministry of Foreign Economic Relations and Trade is assuming responsibility for planning and direction of Chinese trade with the Gulf. Export licenses are now required for major items.

Companies will receive a 10th of a yuan bonus for every U.S. dollar earned through export.

According to Li, Saudi Arabia, Kuwait, the United Arab Emirates, Qatar, Bahrain and Oman -- rich in petro dollars -- do not worry about balancing imports against exports. They are becoming "a major market" from which to draw hard foreign currency, he said.

"China has always maintained a favourable balance in trade with the Gulf countries," Li said.

In 1980, trade between China and the Gulf registered a record high of \$731 million. China exported goods valued at \$545.67 million that year, against imports of \$186.76 million.

"The sunny period continued for two more years," Li said, "but after that, trade figures dropped drastically."

In 1983, the volume of bilateral trade fell to \$344.85 million.

The official blamed the drop on the mundane styles of Chinese products, competition among the Chinese trading companies and "unrealistic" exchange rates.

"The reduction had little to do with the nosedive in oil prices," Li said.

Although the Gulf countries are receiving fewer petrol dollars nowadays, they have not curtailed domestic consumption in their nations, Li said. Austerity has mainly hit new construction.

The official noted that exports by South Korea, Singapore, Hong Kong and Taiwan to the Gulf have all increased considerably the past three years as China's exports were falling.

Problems hindering China's business with the Gulf also include poor packaging and slow delivery.

"We are making painstaking efforts to remove these barriers as soon as possible," Li said.

China attaches special importance to trade with Saudi Arabia, even though the two countries have no diplomatic relations, Li said.

In recent years, Saudi Arabia has been China's biggest trading partner in the Gulf, with annual exports surpassing \$100 million the past six years.

JORDAN'S AL-RIFA'I HAILS PRC CONSTRUCTION WORKERS

OW240150 Beijing XINHUA in English 2335 GMT 23 Jul 86

[Text] Amman, July 23 (XINHUA) -- Jordanian Prime Minister Zayd al-Rifa'i today praised Chinese building workers for doing a good job in his country in the last five years. Receiving Lu Zefu, representative of the China Metallurgical Construction Corporation (MCC) and Cao Lin, deputy manager of the Jordan bureau of MCC today, Al-Rifa'i expressed the hope that the Chinese company will gain more contracts in Jordan in the period of Jordan's current five-year plan. He said that the cooperation between Jordan and China in the field of construction would be further developed. King Husayn last May inaugurated the Tafeilleh Polytechnical Institute and inspected the housing unit for the south cement factory which were built by the Chinese company.

IRAQI LEADER ATTENDS PRC-BUILT DAMS OPENING

OW300016 Beijing XINHUA in English 2343 GMT 29 Jul 86

[Text] Baghdad, July 29 (XINHUA) -- Iraqi First Deputy Premier Taha Yasin Ramadan Tuesday attended a completing ceremony of three China-contracted Iraqi dams. He highly praised in his speech the Chinese engineers and workers for their contribution to the construction of the dams. On behalf of Iraqi President Saddam Husayn, Ramadan opened the sluice gate of one of the dams. The three dams are on Shamiya, a tributary of the Euphrates River in the southern part of Iraq. The construction of the dams started from April 1984 and completed three months ahead of schedule. After the completion of the dams, 700,000 dunums (one dunum equals to 939 square meters) of farm land will be irrigated.

MAURITANIA SIGNS MEDICAL ASSISTANCE PROTOCOL

OW230923 Beijing XINHUA in English 0709 GMT 23 Jul 86

[Text] Nouakchott, July 22 (XINHUA) -- Under a protocol signed here today between China and Mauritania, China will continue to help the West African country develop its medical services. The Chinese Ambassador to Mauritania, Cui Jie, and Mauritania's minister for health and social affairs signed the protocol, under which China will continue sending a medical team to Mauritania.

WU XUEQIAN AT BANQUET MARKING SIERRA LEONE TIES

OW291222 Beijing XINHUA in English 1042 GMT 29 Jul 86

[Text] Beijing, July 29 (XINHUA) -- C.B. Aubee, Sierra Leonean ambassador to China, gave a banquet at the embassy here this evening to mark the 15th anniversary of the establishment of diplomatic relations between Sierra Leone and China. Foreign Minister Wu Xueqian was among the Chinese officials at the function.

ULANHU MEETS IVORY COAST DELEGATION

OW250939 Beijing XINHUA in English 0703 GMT 25 Jul 86

[Text] Beijing, July 25 (XINHUA) -- Chinese Vice-President Ulanhu met a delegation from the General Union of Workers of Cote d'Ivoire headed by its general secretary Adiko Niamkey here today. The delegation has been the first of its kind to visit China since the establishment of diplomatic relations between the two countries in 1983.

Ulanhu said both China and Cote d'Ivoire are Third World countries and their workers are playing an important role in building their respective countries. They should strengthen mutual understanding and learn from each other, he added. The vice-president expressed his satisfaction with the development of bilateral friendly relations and hoped that governmental and non-governmental exchanges between the two countries would increase.

Niamkey said Cote d'Ivoire is willing to have longstanding cooperation with China and this is not an expedient measure for his country to establish good relations with China. The delegation, which arrived here July 14 at the invitation of the All-China Federation of Trade Unions, will leave here for home this evening.

ZHENG TUOBIN ATTENDS EGYPTIAN EMBASSY RECEPTION

OW231116 Beijing XINHUA in English 1058 GMT 23 Jul 86

[Text] Beijing, July 23 (XINHUA) -- Ahmad A. Salim, Egyptian ambassador to China, gave a reception at the embassy here this afternoon to celebrate the national day. Among those invited to the occasion was Zheng Tuobin, Chinese minister of foreign economic relations and trade.

REGULATIONS ENSURE SAFETY OF DAYA BAY PLANT

HK300241 Hong Kong LIAOWANG OVERSEAS EDITION in Chinese No 30, 28 Jul 86 p 1

["Letter From Beijing" by Zhang Hu: "Change Is Unlikely in the Daya Bay Nuclear Plant Plan"]

[Text] Dear brother:

You letter says that some people in Hong Kong are launching a "signature movement" to express disapproval of building the Daya Bay nuclear power plant and that it is rumored that the Chinese Government has agreed to reconsider the question of building the Daya Bay nuclear power plant. You letter asks whether there are any grounds for such a rumor.

Now I can explicitly answer this question: I have learned from an authoritative source that the rumor of "reconsideration" that you have heard is sheer fiction and utterly groundless. There has been no change, nor will there be any change, in the Chinese Government's policy laid down on developing nuclear energy (naturally, including the building the Daya Bay plant). The central authorities have paid full attention to the question of the safety of nuclear plants right from the start, and have come up with strict and thorough regulations and designs. There is, therefore, no need to worry.

As you know, several of our articles, such as the "Strategic Shift in Nuclear Industry" carried in the fifth issue of this year, "Zhou Ping, Deputy Head of the Nuclear Energy Leading Group of the State Council, Answers Questions From Our Reporter" carried in 21st issue, and "Construction of Qinshan Nuclear Power Plant Is Underway" carried in the 27th issue, have made full and accurate reports on China's policy on developing nuclear energy, as well as the guarantee for its safety.

The day before yesterday, in a government department, I saw a document stamped with the seal of the State Council of the PRC -- "The State Council's Written Reply to the Four Safety Regulations Regarding Safety in the Choice of Site, Design, Operation, and Quality Guarantee for Nuclear Power Plants." The document, officially made public by the State Council on 7 July 1986, fully shows the great importance the state has attached to the questions of quality and safety in developing nuclear power plants.

There are a number of facts that can eliminate people's doubts over the construction of the Daya Bay nuclear plant:

First, the State Council has approved the promulgation of regulations regarding safety in the choice of site, design safety, operating safety, and quality guarantee safety for nuclear plants. The government's concern for people's safety for nuclear plants.

Second, the State Council has specially established a Nuclear Safety Bureau for the purpose of ensuring safety matters, to make strict examination and exercise on-the-spot supervision of nuclear plant design, construction, and operation. This is a powerful and independent safety supervisory organ, which has a number of high-level experts on its staff.

Third, the government is currently formulating and perfecting rules and regulations regarding activities in the nuclear field, to ensure that there are laws that can, and must, be followed and will be strictly enforced and that violators will be prosecuted. This is the legislative guarantee.

Following the accident at the Chernobyl nuclear power plant, it is entirely understandable that people should have some doubts about nuclear safety. Merely explaining the great importance the state has attached to nuclear safety will perhaps be still unable to remove people's doubts. However, when I leafed through the detailed, thorough, scientific, and specific regulations adopted by the Nuclear Safety Bureau regarding safety in the choice of site, design, operation, and quality guarantee for nuclear plants, some doubts that I had also entertained were cleared up. For example, Chapter Four, "Assessment of the Design Standards Regarding Specific External Accidents," of the "Regulations Regarding Safety in the Choice of Site for Nuclear Plants" formulated by the Nuclear Safety Bureau, provides the principles for assessing the design standards for various external, natural accidents, such as floods, waves, surface breaks [di biao duan lie 0966 5903 2451 5933], unstable slopes, surface collapse, subsidence, or swelling, earthquakes, liquefaction of the base earth [ji tu 1015 0960], tornadoes, typhoons, sandstorms, mud-rock flows, and other major natural phenomena and extreme conditions. It even provides design standards for the safety and production measures that should be taken to deal with the possible effects on, and destruction of, nuclear power plants caused by plane crashes, chemical explosions, the plant site's parameter affecting long-standing heat ejection by the core, and other major artificial accidents. One may well say that the regulations are thorough, detailed, and scientific. That is to say, there are corresponding safety and protection measures for all possible threats to nuclear plants. What is there to fear? The regulations regarding design safety, quality safety guarantee, and operating safety for nuclear plants also set down a set of systematic, complete, strict, scientific, and detailed provisions, demanding that design, construction, operating, and managerial personnel strictly observe them as they do the law. Should we still entertain doubts about such thorough safety measures?

Yours truly,

Zhang Hu

[dated] on the evening of 17 July

RENMIN RIBAO ON RETIREMENT OF OLD COMRADES

HK290656 Beijing RENMIN RIBAO in Chinese 22 Jul 86 p 1

[Commentator's article: "A New Problem for the Old Comrades"]

[Text] In recent years, over 1 million old cadres have been withdrawn from the front line, and meanwhile over 400,000 middle-aged and young cadres have been selected to take up leading posts above the county level. Such a large-scale and orderly supersession of the old by the new is unprecedented in the history of our party and the People's Republic.

These retired old comrades have made contributions in the revolutionary wars, the socialist revolution and construction, in bringing order out of chaos after the "Cultural Revolution" and even in the realization of the Sixth 5-Year Plan. Now, they are once again using their actions to make new contributions to the abolition of the de facto life-long tenure of official posts and the implementation of the principle of the "four transformations" of the cadre force. Speaking of the new flourishing situation in our country today, people will never forget the historical contributions made by the old cadres.

Withdrawing and retiring from the intense and busy work of the front line is a great change for the old comrades. The party organizations and the current leading cadres at all levels should care for the old comrades and help those who are temporarily unaccustomed to this change gradually adapt themselves to it, so as to make their life after retirement substantial, rich, and meaningful.

According to surveys in some localities, most of the retired comrades are still in good health and they mostly worry about having nothing to do and staying at home idle. What should be done about it? Undoubtedly, it is necessary for organizations to make some arrangements. However, it is obviously impossible for them to take care of everything. Therefore, it is more important to encourage the old comrades to make adequate arrangements for their own daily life and find themselves some suitable work in the light of the actual conditions and their physical conditions. As many of the old comrades have their own familiar fields, specialities, and hobbies, there are so many things for them to do. For example, those people who have rich experiences of struggle can compile and write things about this field; those people who have been engaged in a certain work for a long time and have accumulated valuable experience can earnestly sum up their experiences; those people who enjoy reading books can do more reading or even write books; those people who like calligraphy, painting, or singing can practice their penmanship, draw pictures, or organize choruses; those people who have special skills can provide consultancy services to the society; those people who are interested in the education of young people or neighborhood work can throw themselves into these activities, and so on. In sum, the old comrades have a vast scope to display their talents. In the light of their own conditions, they can make suitable arrangements. It is important for them to use their energy and spirit in activities beneficial and necessary to the society rather than placing themselves in a closed state isolated from the world.

Comrade Hu Yaobang once astutely observed that after their retirement, the old comrades will begin to enter a new stage of "joining the revolution." The characteristic of this new stage is not to get involved with making decisions, issuing directives, and giving orders, but to gear to the needs of society, the masses and grass-roots units, to be involved in the capacity of ordinary citizens and party members as well as the capacity of influential citizens and party members in the society. This point should never be taken lightly! Many old comrades feel that after their retirement they can play roles which they could not possibly play during their tenure of office.

Of course, as far as the old comrades are concerned, enjoying good health and longevity is very important. However, they should know that "it is never too late to learn." They should pay attention to the way to keep themselves in good health, which includes three aspects: First, to build up their physique by participating in some sports; second, to attain mental tranquility by maintaining an optimistic, progressive, and broad-minded mental outlook; and third, to pay attention to diet and strike a proper balance between work and rest. Some of the retired old comrades are not in good health or are sick all the year round. Their most important task is to regain their health and cure their sickness.

Although many of the old comrades have already left their posts, they are still very much concerned about the front-line work. This is understandable. Comrades who are currently occupying the posts should extend a welcome to them when these old comrades want to make some suggestions or make some conditions known. Therefore, it is hoped that the old comrades take care not to deliver vague and general speeches on work but try to do as much investigation as possible before they put forward some practical and effective opinions. In making known facts about things or people, they should strive to proceed from the facts. Only by doing so can they achieve better results and make their speeches more substantial.

With the development of the situation and the passage of time, in the coming few years there will still be a large number of old comrades withdrawing from the front line one after another. After their retirement, how should these old comrades arrange and manage their life well? This is not only a new problem for them but also a new problem for the whole party as well as the whole society. We should earnestly sum up our experiences in this aspect and more effectively solve this problem.

FEI XIAOTONG ON POLITICAL STRUCTURAL REFORM

HK300242 Beijing WEN ZHAI BAO in Chinese No 330, 17 Jul 86 p 1

["Summary" From 8 July issue of RENMIN ZHENGXIE BAO [CPPCC JOURNAL]: "Fei Xiaotong Discusses Political Structural Reform"]

[Text] Fei Xiaotong, vice chairman of the CPPCC, who accompanied Hu Yaobang on his European tour, recently talked about China's political structural reform. He holds that it is time now to raise the question of reform of the political structure, which should add new contents to the relationship between party members and non-party members and between the party and the masses. Our revered Comrade Fei said: The recent tour with our general secretary was not a personal matter. We can regard it as a sign of the reform of China's political structure. Subjectively, I did not feel any difference between me and a CPC member during the visit.

He continued: The key to the reform of the political structure is the realization of socialist democracy. He used "double-track politics" to vividly explain that both tracks from the higher to the lower level and from the lower to the higher level should be unimpeded. In other words, there should be full communication between the higher and lower levels. We must create a concrete structure to realize a high degree of democracy so as to achieve unanimity between the higher and lower levels.

MINISTRY OF CULTURE PROTECTS REFORMISTS

HK291103 Hong Kong ZHONGGUO XINWEN SHE in Chinese 0332 GMT 29 Jul

[Report by reporter Wang Haixi: "Gao Zhanxiang Says That Those Who Make Mistakes in Cultural Reform Will Be Protected"]

[Text] Nanchang, 29 Jul (ZHONGGUO XINWEN SHE) -- While exclusively interviewed by this reporter, Vice Cultural Minister Gao Zhanxiang said: The new leading body of the Ministry of Culture will implement an enlightened policy toward cultural reform. Just as other people do in the economic field to protect those who made mistakes in reform, we will also protect those who made mistakes in reform in the cultural field.

Gao Zhanxiang expressed the above-quoted views to this reporter when he was attending a "Summer of Lu Shan" cultural fair.

Gao Zhanxiang added: One of the lessons paid in blood is that people suffer. Once people made a slight mistake, they were severely repudiated, and then punished and dismissed from their posts. The new leading body of the cultural minister will not carry out this "leftist" practice, or make people suffer. The situation that "spring wind blows in spring, autumn wind blows in autumn and winter wind blows in winter" will never occur again.

he said again: Although he has taken up the post of vice cultural minister for 4 and 1/2 months, he still takes part in the discussions of the writers' association, as a member of the organization. He himself supports the controversial, new, absurd Sichuan operas "Pan Jinlian" and "Magic." [mo fang 7621 2455]

Gao Zhanxiang pointed out: Due to the influence of traditional concepts, force of habit and bureaucracy, there are truly many difficulties in the present cultural reform. People do not pay too much attention to the achievements in the cultural field. However, once problems have occurred in the cultural field, everything will be in a bad way. In the past, when certain problems arose in society, they were attributed to a certain movie, drama, or novel in the cultural field. It was irrational. He urged various circles in society to support cultural reform and the efforts to blaze new trails in the cultural field. In particular, those who failed in the cultural reform should be forgiven, and treated fairly.

With regard to the opening up and introducing things foreign in the undertakings, Gao Zhanxiang stated that cultural reform and prosperity have demanded that we boldly implement a policy of opening up to the outside world, and introduce new achievements in the cultural and ideological concepts from foreign countries. Of course, excellent Chinese cultural heritage is unshakable. We believe that it has strong capacity to absorb and assimilate foreign culture. In the process of speeding up cultural exchanges between China and foreign countries, we will naturally find traditional excellent cultural links between China and foreign countries. We will make them serve us to create a new culture with the fragrance of our times.

Gao Zhanxiang also revealed: To develop culture and promote reform, the ministry of culture has officially issued a notice on the public performance of 80 traditional Beijing operas, Pingju, Sichuan operas, and so on, which were banned by the state since 1953, to meet the demand of a different audience.

CENTRAL STATE ORGANS IMPROVE WORKSTYLE

OW300300 Beijing XINHUA Domestic Service in Chinese 0229 GMT 27 Jul 86

[By reporter Zhang Yanping]

[Text] Beijing, 27 Jul (XINHUA) -- Following the meeting of 8,000 cadres of central organs last January, departments under central state organs have scored remarkable successes in improving their workstyle. They have eliminated unnecessary meetings, improved meeting efficiency, and resolved practical problems with actual deeds. Records of 26 departments show that a total of 390 meetings were cancelled during the first 6 months.

Leading comrades of many departments have taken the initiative in helping grass-roots units solve their problems. During the first 6 months, state organ cadres at and above departmental- and bureau-level units made a total of 6,298 trips to grassroots units. Of these trips, 1,105 were made by vice ministers or higher-ranking cadres. After heading investigative teams at over 20 locations in 5 counties in the Dabie mountain district, Song Jian, minister in charge of the State Scientific and Technological Commission [SSTC], proposed that scientific and technological means should be adopted to help impoverished localities fight poverty. His proposal was later transmitted throughout the country by the General Office of the State Council. Heading several groups of cadres, Cui Naifu and Yang Chen, minister and vice minister of civil affairs, visited border checkpoints, sentry posts, caves, and families of border inhabitants on the Yunnan and Guangxi fronts to boost the fighters' morale and study their situation. Working together with the PLA General Political Department, they properly settled the housing problems of the families of cadres and fighters, and their efforts have won very favorable comments from both the military and the civilian authorities. The minister, four vice ministers, and three advisors of the Ministry of Urban and Rural Construction and Environmental Protection conducted a 3-month study at over 100 units in more than 20 provinces, municipalities and autonomous regions. The "Opinions on Hangzhou's Development Plan," "Report on the Investigation and Handling of the Construction of High-Rise Guesthouses in Guilin," and other reports Minister Ye Rutang submitted after conducting a 31-day investigation in Chengde, Lanzhou, Guilin and Hangzhou were hailed by central leading comrades.

When meetings were necessary, departments of the central state organs made sure that they produced practical results, and that there were no unnecessary expenditures for food and drink, sightseeing, or souvenirs. A meeting, sponsored by the SSTE Cooperative Projects Bureau and attended by 12 units, lasted only 1 day at the bureau director's office. The meeting achieved its anticipated results without spending any money. A meeting convened by the Construction Bureau of the Ministry of Textile industry at the Hubei Chemical Fiber Plant to discuss designs was the same as the one held last year in terms of nature and size, but the expenditures for the meeting dropped to approximately 1,000 yuan this year from over 5,000 yuan last year.

During the first 6 months, the number of meetings called by organs of the Ministry of Machine-Building Industry was 32 percent fewer than that of the same period last year, and related expenditures were 28 percent lower. The Ministry of Public Security had previously planned to hold 53 meetings this year. Now it has reduced the number of meetings to 14. To date, the ministry has spent only 8 percent of its meeting budget, or 84 percent lower than that of last year.

WEN ZHAI BAO URGES DESTROYING OLD CONCEPTS

HK300240 Beijing WEN ZHAI BAO in Chinese No 330, 17 Jul 86 p 1

[Article by WEN ZHAI BAO Materials Office: "Party Members Should Destroy Concepts of God and Buddha, of Ancestors, and of Small Peasant Mentality"]

[Text] A central leading comrade recently pointed out: In transforming the traditional concepts in the countryside, the following three major concepts cannot be easily changed: 1) the concept of God and Buddha, or belief in deity; 2) the concept of ancestors; and 3) the concept of small peasant mentality. [paragraph continues]

Communists should break with the traditional ownership systems and simultaneously break with the traditional concepts. Some of our party members, league members, and cadres still believe in Buddha. They build ancestral temples and engage in gambling and other superstitious activities. On the question of traditional concepts, it is particularly necessary to break with the view of small peasants. Some veteran comrades who rendered meritorious service during the democratic revolution have found it difficult to suit themselves to modernization. Originally, some achievements were made and they adapted their thinking to the new situation through 2 or 3 years' efforts; but restricted by their limited knowledge and skills, they can easily take the road back at the mere rustle of leaves in the wind or when we encounter difficulties, such as disasters caused by hail or drought. There are often setbacks in the readjustment and in introducing advanced technology. This does not mean that our policies often change, but means that their old ideology and traditional concepts have made them change.

RENMIN RIBAO ON LEGAL, DEMOCRATIC TRADITIONS

HK291230 Beijing RENMIN RIBAO in Chinese 28 Jul 86 p 5

[Article by Yu Chi: "The Proposition 'China Has No Legal Tradition' Is Incorrect"]

[Text] In some comrades' articles, we may often see an argument that "China has no democratic and legal traditions." I think the proposition that "China has no democratic tradition" is absolutely correct, but the proposition that "China has no legal tradition" is not completely appropriate.

Comrade Dong Biwu once said: The so-called legal system is, simply speaking, a system of law. There were legal systems in ancient China, and particularly in China's feudal society, and they were quite perfect. It can be said that they were of long standing and well-established.

As is known to all, as early as the late spring and autumn period, in the state of Zheng, and the state of Jin, a legal code was cast in relief on an iron tripod. In the early warring states period, Li Li, prime minister of the king of Weiwen, codified a "statute book." Most sections of the code were lost, but six tables of contents have been left. After Shi Huang Di, first emperor of the Qin Dynasty, united China, he not only formulated a criminal law, but also established a series of "systems" in production and people's life. On the basis of the "statute book," Xiao He, prime minister of the Western Han Dynasty, added three chapters to it, thus formulating a "9-chapter law." Soon after his accession, Yang Jian, known as Emperor Wen Di of the United Dynasty, proclaimed a "criminal law." The "penal code" issued by the Tang Dynasty contains 502 clauses with a detailed explanation of each clause; it is believed that this is the most complete feudal statute book in our country. In addition to this, the Tang Dynasty also issued an administrative law known as a "6-chapter code of the Tang Dynasty." After the Tang Dynasty, the Song, Yuan, Ming and Qing Dynasties all had their own criminal codes. The Kuomintang [KMT] Government also published a "6 law book." From the above historical data, we may see that the argument that China has no capitalist legal tradition is correct, but the sweeping proposition that "China has no legal tradition" is not correct. China has a legal tradition of feudalism. It is well established and is still poisoning people's minds.

Then, where does the proposition that "China has no legal tradition" come from? In my opinion, this is because the concept of "rule by law" has been used and is being used by the bourgeoisie. Therefore, some of our comrades are unwilling and dare not to use the term, and they have to replace the proposition that "there is no tradition of rule by law" by that of "there is no legal tradition."

There has been no tradition of rule by law in China. Legal specialists of the early Qin Dynasty did not put forward the concept of "rule by law." They came up with the idea which was somewhat similar to rule by law, but it was impossible for them to advocate real "rule by law," because they overemphasized the "supreme power of monarchs" and because they stressed that law was a tool of emperors and laid emphasis on absolute monarchy. Therefore, they were in no position to exercise "rule by law." The feudal empires of the Qin Dynasty and other ensuing dynasties all paid much attention to the law and took it as an important means to safeguard feudal rule. However, their feudal law was based on feudal society, it was regarded as a privileged law, and emperors placed themselves above the law, it was of course impossible for them to "rule their countries by law." When the KMT dominated China, it also boasted "rule by law," but it actually enforced a feudal fascist rule. During that time, special agents rode roughshod and arrested and killed people at will. When people had no freedom and democracy at all, where was the possibility of "being ruled by law"? Therefore, the proposition that China "has no democratic and legal traditions" is not clear and appropriate; it must be said that China "has traditions of democracy and rule by law."

HEALTH MINISTRY ISSUES CIRCULAR ON HOSPITAL CARE

OW261016 Beijing XINHUA in English 0726 GMT 26 Jul 86

[Excerpts] Beijing, July 26 (XINHUA) -- The Ministry of Public Health has urged all hospitals in China to improve their service, drawing lessons from the death of a critically injured northeast China worker who had been denied a bed by seven hospitals.

In a circular reaching XINHUA today, it called for more education of medical workers in the importance of professional ethics. And such education should be conducted regularly, it said.

The circular also called for work to simplify the procedures for accepting patients for hospitalization. [passage omitted]

Doctors and nurses at the seven hospitals are now discussing how to avoid incidents like this in the future, said today's HEALTH JOURNAL. But the paper did not say what had become of the doctors directly responsible for Huang Yaoqing's [as received] death. [passage omitted]

Commentator's Article

HK291020 Beijing RENMIN RIBAO in Chinese 26 Jul 86 p 1

[Commentator's article: "The Lesson on the Case of Huang Qingyue"]

[Text] After having a fall and being seriously injured, Huang Qingyue, a worker in Harbin, rushed about for 19 hours and was refused by seven hospitals for treatment. Finally he died at the door of a hospital. This was a shocking incident for medical circles, and for all other circles as well. It exposes some defects of our work and our system. [paragraph continues]

In order to draw a lesson from this, we must act in accordance with the following instructions of the central leading comrade: We must make efforts to overcome the defects in our system and in social ethics.

The profession of doctor has always been regarded as a lofty profession in all countries. Doctors must have good medical ethics. They are duty-bound to heal the wounded and rescue the dying and to develop humanitarianism. Any doctor who refuses to heal the wounded and rescue the dying is condemned in all societies. Ours is a socialist country, and serving the people is the fundamental purpose of all our trades and professions. Keeping a patient in critical condition outside the door can under no circumstances be allowed.

However, in the Huang Qingyue incident, it is difficult to find out who is to blame. All the seven hospitals which refused to take the patient can tell of all kinds of difficulties and give explanations. It is true that at present, many hospitals in large and medium-sized cities do not have sufficient beds and equipment. According to an investigation by the Ministry of Public Health, about half of the patients who should be hospitalized are not hospitalized. It will take time to thoroughly solve the problem regarding the difficulty of hospitalizing patients, which requires great attention of the governments at all levels and the support of various social circles. But this does not mean that under the current conditions, the hospitals can indiscriminately refuse to take dying patients. As a matter of fact, the potential of many hospitals has still not been tapped. The reason for this incident is that there are some defects in our management system. For example, some hospitals are good at treatment but do not have sufficient beds, while some others have sufficient beds but are not good at treatment. Why can the two not join hands with each other? For another example, at present, many hospitals are not implementing the responsibility system or do not have a perfect responsibility system. Thus, when a patient is not well treated or is not treated due to the seriousness of his case, no one can be found to be responsible. These defects can be overcome only through reform.

Some good systems have been established through the reform. But the important thing is to adhere to them and to carry them out conscientiously. Harbin is the first city implementing the "responsibility system for hospitals treating emergency and priority cases." Unfortunately, the tragedy of Huang Qingyue just took place there. This shows that some people have actually neglected the measures of our reform or have just done something perfunctorily.

From this incident people can also see how harmful it will be if the people engaging in social services lack enthusiasm and a sense of social morality. Doctors and nurses have to do a lot of work everyday. They must be very tired. Moreover, they have many difficulties in their work and life. However, since they are working at these posts, they should perform their duties well and should have professional ethics. They should never be careless and adopt an attitude of better doing less than doing more. Still less should they neglect their duties. Otherwise they will surely be condemned by their conscience and by the society. We are building socialist spiritual civilization today. A basic requirement for the building of socialist spiritual civilization is to make all people possess a sense of social morality. Only when people have this sense of social morality and the spirit of serving society and thinking of others, can they perform their duties well.

The Huang Qingyue incident is a tragedy that should not have taken place. But since it has happened, we must conscientiously examine the case and seriously ponder the question so that it may become a lesson for us. Not only the medical units in Harbin, but the medical circles throughout the country, as well as all trades and professions, should learn a lesson from this.

RENMIN RIBAO: SYNTHESIS OF EAST-WEST CULTURE

HK161430 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 27 Jun 86 p 2

["Special commentary" by Wang Shubai, professor of Xiamen University: "Inheriting Chinese Traditions and Culturally Opening Up to the Outside World" -- capitalized passages published in boldface]

[Text] "Hegel once said that all the world's great historical events and figures could be said to appear twice. He forgot to add that the first appearance is a tragedy and the second, a comedy." ("Selected Works of Marx and Engels" Vol 1, p 603) The "Cultural Revolution" launched in our country 20 years ago is a monumental tragedy in modern superstition; 10 years later; a one-act comedy summoning the dead soul of "personality cult" was featured. However, the idiom of philosophers is, "Do not cry, do not laugh, but try to understand." (Spinoza) The forum on truth as the standard ended the tragedy and comedy, and ushered in an era for serious summary of experiences and lessons as well as carrying out theoretical rethinking.

The 3d Plenum of the 11th CPC Central Committee gave a high appraisal of the discussion on truth as the standard, and reestablished the ideological line of seeking truth from facts and emancipating the mind, enabling our socialist cause to be gradually liberated from its "leftist" shackles. The opening up and reforms in the economic field has propelled the development of socialist commodity economy and rapidly penetrated all realms of the superstructure, shaping into a natural trend for change throughout society. Along with adaptation of real changes, the peoples' understanding of change has also moved from a superficial to an in-depth level. In recent years, men of insight from the academe have tried to dig for the profound reasons that caused the historic tragedy as well as search for a path of advancement from an overall point of view and from a wider cultural background. Thus, a great mass fervor to study traditional Chinese culture and open up to the outside world unfolded, and for a while, it resembled the animated atmosphere during the 4 May period when a hundred schools of thoughts emerged and contended with one another.

At present, there are generally the following viewpoints on the question of Chinese and Western cultures:

THE FIRST VIEWPOINT INSISTS ON CLOSING UP. People who espouse this view admit that China lags in material civilization, but refuse to admit its backwardness in spiritual civilization. They think that with Marxism-Leninism-Mao Zedong Thought as theoretical guide, our country's spiritual civilization has always been advanced. Since the implementation of the policy of opening up, they lamented heavily: "Materially, things have improved, but spiritually, they have declined." The solution they propose is to set up defenses at every level to resist the corrosive influences of bourgeois ideology and safeguard the purity of Marxism; they would even prefer a return to the enclosed state held by the "two whatevers" concept.

THE SECOND VIEWPOINT IS THE CONCEPT OF "TOTAL WESTERNIZATION." Through criticism of the "two whatevers" and repudiation of the "Cultural Revolution," a minority went to the other extreme of total rejection of Marxism and Chinese cultural traditions. They admire Western material civilization and lifestyle and are not short of enthusiasm for the introduction of new trends in Western philosophy and of modern scientific information. However, they have no interest in the study of China's national conditions nor as in the exploration of a path towards socialism with distinct Chinese characteristics. In essence, the "total Westernization" they pursue is total capitalism.

THE THIRD VIEWPOINT ADVOCATES "NEO-CONFUCIANISM." As a reaction to criticism of Confucianism, reevaluation of Confucius and Confucianism has become an increasingly attractive subject. Lectures by the country's elderly scholars and overseas Chinese professors were, for a while, quite in vogue. While they may differ in position, viewpoint, and method, they share a common point: They have great interest in Confucius and Confucian philosophy. Some people replaced the old theme of "China's cultural direction" from 60 years ago. Some called for rehabilitation of the Confucian school of idealist philosophy of the Song and Ming Dynasties. Still others expounded that "neo-Confucianism" should be the core for the building of spiritual civilization, seeking to use the East's "Confucian capitalist model" to resolve the crisis of the Western capitalist world.

THE FOURTH VIEWPOINT IS THE CONCEPT OF "WESTERN STUDIES FOR THE FRAMEWORK, CHINESE STUDIES FOR THE APPLICATION." For years, the concept of "Chinese studies for the framework, Western studies for application" has always been considered by some as the spiritual dike to resist opening up to the outside world. Thus, some scholars countered by proposing "Western studies for the framework, Chinese studies for application." They believed that modern material civilization comes from the West and that Marxist and modern scientific theories are all crystallization of Western culture. In this sense, the way of the future should be "Western studies for the framework, Chinese studies for application" -- that is, the integration of the ontology of social existence and the growing awareness of this ontology with China's realities. This is an entirely new concept of framework and application and openly supports opening up and reforms.

These viewpoints are relatively representative of current thoughts. The closed-door viewpoint is primarily held by some cadres, while that of "total westernization" enjoys considerable support among some young people. However, both are obviously one-sided and thus could not openly take their place in the academic circle. "Neo-Confucianism" is like old wine in a new bottle. While it may sound very impressive in theory, it is still contradictory with the times and spirit of socialist modernization. The concept of "western studies for the framework, Chinese studies for application" is in the right direction for boldly advocating opening up, while at the same time paying attention to integrating with national conditions. Nonetheless, the incorporation of Chinese and Western culture into the spheres of "framework and application" still appears not absolutely appropriate.

From a Marxist point of view, the difference between Eastern and Western cultures could be attributed to many sources, but the main one is that they were formed differently on the basis of commodity economy and plantation economy, respectively. Today, what we often witness is the clash of traditional culture with the demands of socialist modernization. [paragraph continues]

The patriarchal clan doctrine of "heaven, earth, emperor, parents, and teacher" formed on the foundation of the petit peasant and feudalism; the hierarchy system governing relations between higher and lower levels, between superiors and subordinates and others; the Confucian philosophical system of "obedience to Confucius in the academic world and to the emperor outside this world"; the nationalist concept of closing the country to international intercourse, respect for Chinese things and resistance of foreign objects; the autocratic politics and rules dealing with relations among different entities of society, etc -- these are negative factors left over in the nation's cultural traditions. During the unprecedented 10-year period, these things burst out like an array of colorful germs and brought about unheard of calamity upon our nation. In recent years, while the "Cultural Revolution" has been "thoroughly repudiated," the germs that induced it cannot be rooted out overnight. Just as Comrade Hu Yaobang said: "There are still more leftovers from petit-peasant economy and the feudal patriarchal clan system. There are also some from the bourgeoisie. Some of our comrades usually carry on their petit-peasant, feudal habits and criticize some modern things as bourgeoisie lifestyle and liberalism. This is not right. In the Chinese people's thinking, what was left over from thousands of years are primarily petit peasant economy and patriarchal clan thinking." (Hu Yaobang's speech in 1984 inspection tour of Nei Monggol. See LIAOWANG weekly 1984 issue No 44) this except sums up the experience and lessons of the tortuous development of China's socialist construction and pinpoints the source of conflict between traditional culture and the demands of socialist modernization.

Since the founding of the PRC, we have always been very vigilant in the criticism of bourgeoisie ideology, yet very lax on the negative effects of traditional culture shaped by petit-peasant and feudal foundations. Notably after the basic completion of the three great socialist transformations, the "Great Leap Forward" launched in 1958 was essentially the elimination of commodity economy and the transition into socialism and communism through poverty. The result was major retrogression in economy and culture. Since the 3d Plenum of the 11th CPC, the gradual implementation of opening up to the outside world and of reforms as well as the development of commodity economy under macroeconomic planning, to push forward socialist construction, have rapidly borne results. Socialist construction consists of material and spiritual civilizations. Earlier, the emphasis of opening up and reforms is in material civilization, that is, in the economic and technical aspects. As for spiritual civilization, including the fields of philosophy and culture, whether to implement policies of opening up and reforms has always been a controversial issue. The early reformist from the late Qing Dynasty, Wang Dao, advocated: "Use means of production to safeguard doctrines or moral conception," "Means of production should be imported from the West, while our own doctrines must be upheld." Today, the 100-year old doctrines and means of production have undergone enormous changes. However, there are still some people who propose that in the building of material civilization it is necessary "to introduce the science and technology of the west," while in the building of spiritual civilization, it is necessary "to set up defense at all levels to safeguard our own moral conceptions." Due to the contradiction in these two concepts, the building of material civilization and the development of socialist commodity economy will naturally meet numerous subconscious opposition from traditional culture and may even fall into a crippled state.

Again, in the debate on Chinese and Western cultures during the late Qing dynasty, Tan Sitong put forward: "If the means of production have changed, how can the doctrines not change? ...Doctrines are not the exclusive possession of the learned nor of China...The foreigners also have them." ["Collection of Thoughts at Yinyuntai -- a Reply to Bei Yuanzhen"] He pointedly criticized the viewpoints held by the diehards that "doctrines should not change, nor should means of production" and that of the pro-westernization faction who contended that "means of production may change but not doctrines," thereby providing forceful philosophical argument in favor of opening up the domain of spiritual civilization. Today, Tan's "Collection" continues to enlighten us on the current debate on Chinese and Western cultures. Social existence, including material civilization, corresponds to the category of "means of production" under traditional philosophy, while social consciousness including philosophy and culture corresponds to that of "doctrines." Doctrines and means of production are mutually dependent on one another and cannot do without the other -- this is the principle of materialism. On the building of material civilization, we implemented policies of opening up and reforms and developed the socialist commodity economy. Could spiritual civilization, which is interdependent with material civilization, remain unchanged? Since the domain of spiritual culture is not the exclusive territory of past and present Chinese learned men, is it not necessary that opening and reforms be similarly introduced?

Tan Sitong and his fellow reformists pinned their hopes on a "sage" without powers. Without considerable material support from society, their reform inevitably failed. Today, we are in a new era of socialist modernization and construction. After the bitter lessons learned from the "Cultural Revolution," the party leadership and the people deeply realized that closing up offers no future. Be it the material or spiritual aspect, only by implementing policies of opening up and of reforms can a path for progress be opened. For the building of spiritual civilization, it is necessary to handle well the relationship between carrying forward Chinese traditions and opening to the outside world, and trying to ensure that our socialist spiritual culture will not only be modern, but also have Chinese characteristics and become a true propeller and spiritual prop for the building of material civilization.

We propose opening up in all directions. Vertically speaking, it is the integration of the past and the future. To inherit the past means to critically absorb the best of Western culture, while at the same time, to thoroughly search for and inherit the fine traditions of the national culture. Facing the future necessarily means the exchange and integration of Eastern and Western cultures. The major changes in modern science and technology, as well as the deep conflicts they brought upon social life and the resulting series of changes in traditional Western philosophy and the concept of culture. For instance, modern analytical research applied in scientific knowledge is shifting to research of the organic whole; the theory of struggle for existence shifting to the theory of balance of nature; one-sided pursuit of material civilization of the external world shifting to emphasis on harmony of the spiritual structure... In such changes, not a few scholars begun to stress the need to absorb the positive factors from Eastern culture and readapt and supplement them to modern Western culture structure. For example, China's ancient dialectical thoughts are extremely rich and are the link between Marxism and China's cultural traditions. Then again, Chinese thinking of the organic whole could shed light on how modern science, on the whole, could handle the diversified development of the world. [paragraph continues]

Based on the harmony of the individual and the collective in Chinese culture, it is possible to study the underlying reasons behind the development of East Asian industries. These observations may not be accurate but are worthy of more thorough study.

Today, China's socialist modernization and construction is marching in steady strides into a new historical period. One of the distinctions of this new period is the repudiation of the policy of closing form within and without, as well as the implementation of the policy of opening up to push forward reforms and the overall development of socialist material and spiritual civilizations. What we seek is a path leading to socialism with Chinese characteristics. Hence, simultaneous with opening up, it is necessary to pay very close attention to the analysis of China's own conditions and its cultural soil. We deeply felt that the negative factors in China's traditional culture have become huge obstacles opposing reforms and the progress of modernization. On the other hand, without thorough research and transformation, it is difficult for the fine traditions in Chinese culture to be merged and molded into a powerful spiritual force propelling modernization. The study of China's conditions and the analysis of its cultural soil are extremely important, delicate work and should not be left idle.

Lenin said: "Only by using all the knowledge created by mankind to enrich oneself can one become a communist." ("Works of Lenin", Vol 4, p 348) Whether it be Western learning or Chinese cultural traditions, one must not swallow them whole without digesting. It is necessary to use the needs of socialist modernization as the yardstick and to conscientiously examine, criticize, and reform both Western and Chinese learning so that they may be adapted to serve our purpose. In order to create a vibrant new socialist culture with distinct Chinese characteristics, it is imperative to have guidance of Marxism, to abandon the either-one-or-the-other-but-not-both way of thinking, to shatter the fixed setup on East-West culture, to select from these two cultures elements favorable and rational to our country's socialist modernization, and on the basis of separating these elements, synthesize and reform them. In this way, the building of material and spiritual civilizations in the entire socialism would develop soundly under a harmonious state where doctrines and the means of production complement each other and are inseparable.

CONFERENCE CONSIDERS TASKS OF TEXTILE EXPORT

HK280744 Hong Kong LIAOWANG OVERSEAS EDITION in Chinese No 29, 21 Jul 86 pp 14, 15

[Article by Zhuang Kaixun: "China's Textile Exports Are Faced With New Tasks"]

[Excerpts] The recently held conference attended by managers of China import and export companies across the country disclosed that from January to May of this year, the export volume of China National Textiles Import and Export Corporation and its affiliated companies reached U.S. \$2.22 billion, an increase of 41.4 percent over the U.S. \$1.57 billion recorded in the corresponding period of last year. The total volume of business increased by 41 percent over that of the corresponding period of last year. The export volume of clothes, which indicates the improvement of the structure of textile exports, reached U.S. \$0.55 billion, an increase of 35 percent over that recorded in the corresponding period of last year. Some 0.3 million tons of cotton were exported during this period, an increase of 49,000 tons of cotton over the total amount of cotton exported last year; China has now become the second biggest cotton exporting country, second only to the United States. [paragraph continues]

From January to May of this year, the export volume of chemical fiber textiles reached U.S. \$0.367 billion, a 50 percent increase over that recorded in the corresponding period of last year; the export volume of cotton yarn and cotton cloth reached U.S. \$0.55 billion, a 45 percent increase over that in the corresponding period of last year; the export volume of knit cotton goods reached U.S. \$0.42, a 41 percent increase over that in the corresponding period of last year, and the export volume of cotton linen yarn increased by nearly 200 percent, the fastest increase among all the other increases.

When analyzing the situation concerning this year's textiles export, Zhou Yunzhong, general manager of the China National Textiles Import and Export Corporation, pointed out: Because of the drop of oil prices on the world market, China's export of petrochemical products has suffered some losses in its foreign exchange earnings. As far as the present situation is concerned, it is hardly possible for the export of petroleum products to increase greatly; the export of other commodities, such as grain, oil, and food products will not increase greatly, either, because of a big domestic demand for these products. Although the export of mechanical and electrical products has good prospects, it will take time for China to develop these products. So, the export of light industrial products and textile products has become the priority. As far as the situation on the international market is concerned, because of the drop of oil prices and the drop of energy costs, the purchasing power of advanced countries will increase, which will naturally increase the demand for textiles. "How to keep abreast of the needs of the new situation and expand the export of textiles," said Zhou Yunzhong, "is the new task faced by China's textiles export at present."

To Strengthen Lateral Economic Combines Is the Basis for the Expansion of Exports

The development of lateral economic combines is a new stage in the present urban economic reform and also the main contents of the current reform of the management structure of China's foreign trade.

A batch of good models have emerged in the reform of China National Textiles Import and Export Corporation and its affiliated companies. The characteristics of these models are that industrial enterprises have established lateral ties with foreign trade enterprises through various forms, which have achieved some economic results and expanded export sources. The experiences of Tianjin Swan Woollen Blanket Integrated Import and Export Company and Hunan Limonene Flax Integrated Import and Export Company are good examples. [passage omitted]

Zhu Youlan, assistant minister of foreign economic relations and trade, pointed out that it is imperative to remove the barriers between different regions and different departments and develop lateral economic combines. Not only combines between industrial and trade departments and different regions but also between ports, between ports and localities, and between different types of foreign trade companies. The guiding ideology of the reform of the economic structure is to invigorate the foreign trade enterprises and the industrial enterprises.

To Stabilize the Hong Kong and Macao Markets

This year, China's textiles have found a better sale than last year on the Hong Kong and Macao markets. In the first half of this year, the mainland's volume of business with Hong Kong and volume of export to Hong Kong showed a big increase compared with that in the same period of last year. [paragraph continues]

According to the statistics of China National Textiles Import and Export Corporation, from January to May, the mainland's volume of textiles export to Hong Kong reached U.S. \$0.67 billion, a 67 percent increase over that in the same period of last year. And it is estimated that the volume of textiles transported to Hong Kong in the first half of this year might reach U.S.\$0.8 billion. As far as the major items are concerned, the export volume of cotton yarn, cotton cloth, T/C yarn, T/C cloth, flax and blend flax and yarn, staple rayon yarn, blend cloth, cotton knitwear, shuttle-knit clothes, and so on, is bound to increase greatly in the future.

However, there is now a serious problem of "parallel goods" on the Hong Kong and Macao markets. According to incomplete statistics, parallel cotton yarn that enters Hong Kong through abnormal trade channels now accounts for about 30 percent of the total amount of the cotton yarn exported to Hong Kong from the mainland and its prices are relatively low. The problem of interference of "parallel cotton knitwear" also exists on the Macao market.

The national conference of managers of China's import and export companies believed that in the second half of this year, when exporting textiles to Hong Kong, China should pay particular attention to stabilizing the market, strengthening the management confidence of agents, and stabilizing the prices of major commodities. In order to realize this, China must further strengthen its management of the Hong Kong and Macao markets. [passage omitted]

The Principle of China's Textile Export Is To Win Customers With High-quality Products

General Manager Zhou Yunzhong said: The key to expanding China's textiles export is to raise the average unit price. In other words, the principle of China's textiles export is to win customers with high-quality products and China should pay attention to the variety, design, and color of its products.

Last year, the average unit price of the clothes exported by China was U.S.\$35.4 per dozen, while the average unit price of clothes made in Hong Kong was U.S.\$62 and the average unit price of clothes made in South Korea was U.S.\$57. The average unit price is the symbol of quality. Because most of the clothes exported by China are still medium-grade and low-grade products, their prices remain low.

On today's international market, the method of relying on low prices to compete with others has become outdated. The commodity competition is not only manifested by price competition but also, more importantly, by competition of such factors as quality, fashion, date of delivery, post-sale service, and so on.

How to improve the quality of textiles exported by China? The key still lies in adopting a complete set of measures to encourage export and arousing the enthusiasm of production enterprises and foreign trade enterprises. [passage omitted]

General Manager Zhou Yunzhong told reporters that the textile export of developing countries is faced by a common problem, that is, the trade protectionism adopted by advanced countries which exercise a quota system in their textiles import. Therefore, on the one hand, we should try to obtain reasonable quotas, and on the other hand, we should also see that the quota system is mainly aimed at restricting the import quantity but not the amount of money involved in the import. So, as long as we make efforts to raise the unit price of textiles for export under limited quotas, we will surely be able to earn more foreign exchange.

WATER SHORTAGE DELAYS INDUSTRIAL, FARM GROWTH

OW252355 Beijing XINHUA in English 1434 GMT 25 Jul 86

[Text] Beijing, July 25 (XINHUA) -- Chinese Minister of Water Resources and Electric Power Qian Zhengying today called on the entire nation to save water and use the country's fresh water resources rationally.

Speaking to a group of Chinese reporters here this morning, Qian said that the current water shortage has become a factor holding back the growth of industry and farm production in some areas. In addition, it is having a deleterious effect on the environment and affecting people's life and health.

"Taking measures to alleviate the present water shortage brooks no delay," she said. Efforts must be made to help people have a clear picture of the country's water resources and the importance of water conservation, the minister stressed..

China has a total of 2,800 billion cubic meters of freshwater annually, she said, adding that the per capita figure is only one-fourth of that of the international level and the distribution is quite uneven.

In some densely populated areas, the water shortage is even more acute, she said, citing the Hai He and Luan He basins in northern China, where the per capita amount of water resources is only 430 cubic meters, less than that in the arid Arabian Peninsula. Besides, she added, northern China also suffers from periodic dry spells, and this is similar to the case in the African continent.

Though only 17 percent of the country's water resources have been developed and used, the minister noted, almost all the water resources are used in dry years in the densely populated and economically developed areas such as Beijing and Tianjin, and Hebei and Shanxi Provinces, as well as some coastal cities.

Some areas have to pump an excess of underground water to meet their needs, she added. This has caused a drastic drop in the underground water in some regions, sinking of the ground and the permeation of sea water.

Speaking of the country's long-term water supply and demand, the minister said that measures must be taken to save water. Though per capita water consumption in China now is 460 cubic meters, about 60 percent of the world figure, the waste of water is very serious, she said. Only 20 to 30 percent of the water is recycled in many industrial enterprises, though in some cases 60 percent is recycled, and still some have not done anything in this regard, Qian said.

A total of 32 billion cubic meters of waste water is discharged annually in China. But only 2.5 percent is recycled and used; this is particularly low in farmland irrigation, which takes up 85 percent of the country's water consumption. "Therefore, there is great potential for water conservation," she said.

The Chinese minister called for a strict plan for water consumers, which should include supply quotas, and circulating and recycling percentages.

Efforts should be made to grow more drought-enduring crops, improve ground irrigation facilities and farmland water conservancy projects, and develop sprinkling and other water-saving irrigation techniques according to local conditions, she continued.

All households should use water meters, and efforts should be made to develop, upgrade and promote the use of water-conserving devices, she added.

She also urged the government to put more money into the country's water development program so as to build more waterworks. Economic levers, laws, policies and administrative means should continue to enforce tight control of water supply management.

RENMINBI DEVALUATION TO BENEFIT TOURISM

KH290417 Hong Kong ZHONGGUO XINWEN SHE in Chinese 0854 GMT 25 Jul 86

[Report: "Han Kehua Suggests That Devaluation of Renminbi Will Benefit the Development of Tourism"]

[Text] Beijing, 25 Jul [ZHONGGUO XINWEN SHE] -- At today's news conference, National Tourism Administration Director Han Kehua said that in the long run the devaluation of the renminbi will have a positive influence on China's tourism.

Han Kehua added: Actually, the fact that the renminbi has been continuously devaluated in recent months has attracted more foreign tourists to China. The change of the exchange rate of the renminbi this time will further stimulate the development of China's tourism.

Asked by reporters whether comprehensive tourist service charges in China would, of course, be readjusted. However, if the rise of commodity price index at home and the drop of exchange rate were taken into consideration, tourist charges would not go up.

Han Kehua did not reveal the specific time and margin for readjustment of tourist charges. However, he stressed that considering China's capability of receiving tourists and consumption power of tourists, China's present tourist charges will not be higher than those of the Hong Kong and Macao region, Southeast Asian countries, or Japan.

Han Kehua maintained that after the change of the exchange rate of the renminbi, the Chinese tourist industry was facing a problem of preserving foreign exchange. Due to devaluation of the renminbi, he revealed, China's income in foreign exchange from tourism last year dropped by 300 million. It was expected that income in foreign exchange from tourism would also be affected during the latter half of this year.

JINGJI RIBAO DISCUSSES POOR ECONOMIC RESULTS

HK290552 Beijing JINGJI RIBAO in Chinese 21 Jul 86 p 2

[Article by JINGJI RIBAO observer: "What Is the Crux of the Problem of Economic Results in Industry at Present"]

[Text] The general situation in China's industry this year is good. Light industry and heavy industry have developed in a well-coordinated way; the production of energy and raw materials have grown steadily; marketable products of textile and other light industries have increased substantially.

However, the economic results so far are not satisfactory. The tax and profit contributions made by state-owned industrial enterprises in the first half of this year decreased by 2.2 percent from that in the same period of last year; the costs of comparable products increased by 4.2 percent; and business losses incurred by enterprises increased by 720 million yuan as compared with the same period of last year.

The main task for all industrial departments in the second half of this year and in a longer period to come is still to make great efforts to improve their economic results. What then, is the crux of the problem of economic results in industry at present?

For a long time in the past, the growth rate of industrial production had a great influence on the economic results of industry. The statistics of the state-run industrial enterprises show that in the period of the First 5-Year Plan, the gross industrial output value increased by an average of 18.2 percent each year, and the tax and profit contributions increased by an average of 25.1 percent each year; in the period for the Second 5-Year Plan, the two figures were 3.8 percent and 3.4 percent; in the period of the Third 5-Year Plan, they were 11.7 percent and 8.8 percent; in the period of the Fourth 5-Year Plan, they were 9.1 percent and 4.3 percent; and in the period of the Fifth 5-Year Plan, they were 9.2 percent and 9.3 percent. A typical characteristic of this type of economy is the synchronous changes in the industrial growth rate and the increase rate of the industrial taxable incomes and profits.

Through analyzing the industrial economic results in the past months of this year, we also find this characteristic: The growth rate of the industrial taxable incomes and profits may fall alongside the growth rate of industrial production. In the first half of last year, the industrial growth rate was 23 percent, and the tax and profit contributed by industrial enterprises increased by 20 percent, in the first half of this year, the two figures were 4.9 percent and 2.2 percent. This fully shows that our industry has not been changed from a growth rate pattern to an economic efficiency pattern. The economic mechanisms which guide the enterprises to seek high growth rates of output value at the expense of economic efficiency are still functioning and playing a dominant role. This is the crux of the problem of industrial economic results.

Admittedly, reform has expanded enterprises decision-making power and has given play to the market mechanisms to a certain extent. This has certainly increased the profit-oriented motivation of the enterprises. However, we have not fundamentally changed the traditional system which governs the activities of enterprises. For example, government functions have not been separated from enterprise functions. The production and operations of many enterprises still have to follow the orders issued by the administrative departments at the upper level. If the leaders at the upper level have a partiality for a high growth rate of output value, the subordinate enterprises will have no choice but to increase output value without regard for their economic results. In particular, when there is a seller's market and supplies are short, the enterprises will also be able to increase their profits by increasing output value. In this case, it is even more profitable to increase production than to raise product quality and lower production costs. Therefore, many enterprises like to expand their production scale to increase their output value so as to achieve the purpose of increasing profits. In these circumstances, once the state exerts control over the scale of capital construction and the supply of funds so as to restrict the growth in industrial output value, the enterprises will immediately lose incentive for increasing their profit.

Of course, the continuous operation of the speed-type economy, which brought about the present unsatisfactory economic results is not only supported by the economic mechanisms of the old structure, but can also be attributed to such factors as the irrational production structure and technologies. Some phenomena in a certain reform phase and in some localities have also caused problems in the economic results of industrial enterprises. For example, an obvious fact is that the price reform may lead to the rises in prices of raw materials and fuel for some time, and this will add to the costs of some industrial enterprises. According to an investigation made by a department concerned in 171 industrial enterprises in Guangzhou, Chengdu, Chongqing, Wuhan, and 6 other cities, about 80 percent of the additional expenses were caused by raw material price rises between January and September in 1985. This state of affairs still exists in many enterprises to varying degrees this year. In addition, the rise in tax rates, interest rates, and depreciation rates, the imposition of new taxes, and the readjustment of wages and price subsidies may all affect enterprise profits. But this is also a phenomenon in the transition period. With the passing of time, prices will become relatively stable, and the specific influence on enterprise costs will gradually disappear. Another obvious fact is that the quality of some products has also declined along with the slowdown of growth and the drop in economic efficiency. In the first 5 months this year, the rate of product quality enhancement in state-owned enterprises fell by 9.4 percent as compared with the same period last year. In the past, many comrades liked to say that the high speed of production could have unavoidable effects on the product quality. Now, production has been slowed down, but why has product quality also deteriorated? Should we consider the decline in product quality is closely related to economic results, and the changes in these two things belong to the same category.

Meanwhile, since last year, in the course of rapidly slowing industrial production, we have not taken corresponding steps to readjust the enterprise structure by "closing, merging, stopping and changing the production" of the enterprises which are backward in technology and which produce poor products at high costs. When the backward enterprises are allowed to continue their production, advanced enterprises will not be able to obtain sufficient supply of raw materials and fully exploit their production capacity. This will hinder the enhancement of social economic results to a certain degree.

In addition, some problems in wage readjustments in enterprises and the relaxation of management have also affected the growth of production and the enhancement of economic results.

In short, poor economic results are a problem that has existed for a long time, and the crux of this problem is the fact that we have not yet built up a set of efficient economic mechanisms. Obviously, it is unrealistic to try to change this state of affairs in a short time. However, if we merely treat symptoms but not the disease, we will not be able to find a fundamental solution for this problem.

STATISTICS BUREAU ON ECONOMIC DEVELOPMENT

OW290340 Beijing XINHUA in English 0152 GMT 29 Jul 86

[Text] Beijing, July 29 (XINHUA) -- Rapid development of the collective and private sectors of the economy is making life more convenient for the people and providing more chances for the unemployed, an official of the State Statistical Bureau told XINHUA today.

Compared with 1980, the official said, the urban work force has increased 21.7 percent, of which the employees in the collective enterprises increased 32.9 percent, and the employees of individual businesses, 4.5 times. Collective and private employees make up 30 percent of the urban work force, up from 24 percent.

In the countryside, collective-owned farmland, total value of agricultural yield, and the agricultural and side-line output cover 97 percent of the country's total. And the total income of township-run businesses make up 30.5 percent of the rural income. A rapid growth has also been seen in the contribution of collective and private workers in the industrial economy. The growth rate of production value they created was much higher than that of the state sector. However, the official said, the state-owned economy is still in the leading position in the nation's economic construction.

The retail turnover of state-owned enterprises amounted to 174 billion yuan, covering 40 percent of the country's total; the industrial production value of the state-owned ones reached 70 percent.

STATISTICS BUREAU SAYS RETAIL PRICES DOWN

OW281711 Beijing XINHUA in English 1453 GMT 28 Jul 86

[Text] Beijing, July 28 (XINHUA) -- The retail sales prices in China have been slowing down since the beginning of this year, according to the State Statistical Bureau.

There was a big increase in the prices of non-staple food in 1985 when the government relaxed price control to tap production potential of the peasants and other producers of non-staple food.

The average price increase of retail goods for the first six months this year was 5.5 percent. The government's goal was to restrict the increase within six percent. The increase in June was merely three percent, an official of the bureau said.

The prices of meat, eggs, fowl and vegetables have been stable and even declining in some regions, he added. The official attributed the achievement to the overall management of prices from the production bases to the markets.

But he also warned that with the increase in the cost of raw materials of light industry and the rising of production cost, prices of some daily necessities and books will continue to go up during the rest of this year.

STATE COUNCIL CIRCULAR ON TRANSFER OF SCIENTISTS

HK281546 Beijing RENMIN RIBAO in Chinese 23 Jul 86 p 3

[Reporter: "The State Council Issues a Circular on Promoting the Rational Transfer of Scientific and Technological Personnel"]

[Text] On 9 July, the State Council issued a "Circular on Promoting the Rational transfer of Scientific and Technological Personnel." The full text of this circular is as follows:

Since the State Council issued the "Provisions on the Rational Transfer of Scientific and Technological Personnel" in 1983, various localities have done a great deal of work and gained new experiences in promoting the rational transfer of scientific and technological personnel. The gradually initiated rational transfers of talented people have played a positive role in disseminating new technology, developing the urban and rural economies, and promoting science and education. However, some problems still have to be overcome in some areas and units. Generally speaking, as the work of transferring scientific and technological personnel has just started, the major problem at present is that the channel for transferring scientific and technological personnel is still blocked and the practice of neglecting, wasting, and misplacing talented people has not been fundamentally overcome.

Reforms of the structures of the economy, science, technology, and education, and experience in our work over the last few years require us to gradually reform the scientific and technological personnel management system and to promote the rational transfers of scientific and technological personnel for the purpose of bringing their role into full play and serving the four modernizations. Herewith, a circular is issued with regard to the problems concerned:

1. People's governments at all levels and departments under the State Council should strengthen leadership over the rational transfers of scientific and technological personnel, strive to create a favorable environment where people can best utilize their talents, endeavor to seek talented scientists and technicians, and encourage those people whose talents were previously neglected, wasted, or misplaced to work for enterprises and units requiring their skills or where their skills can be better utilized. In a situation where priority is given to the state's key construction projects and major scientific research projects, it is necessary to encourage scientific and technological personnel to go to the industrial and agricultural production fronts, to support small and medium-sized enterprises as well as township enterprises, and to improve enterprises' ability to carry out technical reform and technical exploration. Also, it is necessary to support scientific and technological personnel in moving from cities to the countryside, from large to small cities, and from the hinterland to remote areas.

Personnel departments and scientific and technological personnel management departments at all levels should do a good job in organizational coordination and management according to the state's relevant policies, laws, and regulations. Through allocation and recruitment by the organization, it is necessary to dredge the channel of distribution, to overcome excess personnel and vacancy problems, and to improve the distribution and composition of scientific and technological personnel.

Various localities should actively promote scientific and technological personnel exchange services. Organizations in charge of talented personnel exchange services and scientific and technological personnel exchange services should actively supply information on job opportunities, build a bridge between employers and job seekers, and help promote a rational flow of talented people between trades and units.

2. Enterprises and institutions should gradually form a system for recruiting people with specialized skills. On the basis of their personnel structure and quota, units instituting this system should recruit scientists and technicians either internally or from outside. According to state regulations, the employing unit has the right to hire or not and the individual has the right to accept or refuse the job offered. Both sides should abide by the employment contract they have signed. Neither side is allowed to terminate the contract unilaterally. At the expiration of the contract, both sides can discuss whether to extend it or not. Proper arrangements should be made for scientists and technicians who are not recruited. They should be encouraged to work in units which need them more or where their skills can be utilized better.

The number of scientists and technicians in poor regions and remote areas as well as of teachers in middle and primary schools (including secondary professional schools) in all parts of the country should not be reduced but increased in a planned way instead. Other regions and units are not allowed to recruit scientists, technicians, or teachers in these regions or schools without permission.

Scientists and technicians working in units where the recruitment system has not been instituted, or where they feel their talents are not being properly utilized, may submit their resignation. However, they should submit their resignation in writing to the units, which are required to reply within 3 months after receipt of their resignations. During the period after approval of their resignation and before their departure from their units, they should complete the handing over procedures. Their length of service in new units should include that before their resignation and after their employment in new units.

Scientific and technological personnel should abide by state policies, regulations, and labor discipline and not leave their posts without permission. All units should strictly observe state personnel management regulations in employing scientific and technological personnel, and should, on the merits of each case, properly handle scientists and technicians who leave their posts without permission. Scientists and technicians who have left their original units for other units because their talents were not properly utilized, or because their cases require special consideration, may complete their transfer procedures according to the management rights of cadres with the approval of both the original and recipient units. Those who have left for other units and wish to resign from their original units may proceed with their resignations with the approval of their original units. The rest should be urged to return to their original units. The original units should make proper job arrangements for them, and no discrimination against them is allowed. Those who refuse to return to their original units or to adhere to the necessary resignation procedures will be regarded as deserters. Their length of service will start from the day of employment in the new units.

Specific regulations governing resignations will be jointly formulated by the State Science and Technology Commission, the Ministry of Labor and Personnel, and other departments.

4. Disputes over the transfer of scientific and technological personnel should be solved through consultation. Disputes which cannot be solved through consultation will be adjudicated by the local people's government or responsible departments or organizations designated by the State Council. Both sides concerned must abide by the conclusions made through such adjudication.

5. Scientists and technicians should be encouraged to work in remote and border areas. Remote and border provinces and autonomous regions may give them preferential treatment within the scope of state policies. The duration of work, working conditions, pay, living conditions, and retirement for scientists and technicians who have gone to remote and border areas should be arranged according the regulations of the State Council.

6. It is necessary to encourage enterprises and institutions to regulate their technological strength in the forms of technological and economic cooperation, exchanging scientists and technicians, or allowing scientists and technicians to do part-time jobs. It is necessary to advocate that units under central departments support localities with technical cadres, and that localities supply college or professional school graduates for units under central departments.

7. Localities should search for local talent and hire staff and worker with technical skills so as to improve the technological strength of small and medium-sized enterprises, as well as collective enterprises in the urban and rural areas. Technicians in units under ownership by the whole people should be encouraged to work in units under collective ownership in the urban and rural areas. If need be, graduates from spare-time universities, correspondence universities, night universities, and staff and workers universities, who have acquired technical skills but are not performing technical work, or staff and workers who have passed higher learning qualification examinations through self-study, should be encouraged to take on technical work in small and medium-sized enterprises or enterprises under collective ownership in the urban and rural areas on a voluntary basis. For staff and workers who shift from units under ownership by the whole people to units under collective ownership, for filling in technical or managerial post vacancies, their status and workers of the ownership by the whole people will remain unchanged.

8. Scientists and technicians who are transferred to other units are not allowed to take along the scientific and technological achievements, technical data, equipment, and implements of their original units, to divulge state secrets, or to infringe upon the rights of their original units. Violation of any of these will be dealt with seriously.

Upon receipt of this circular, people's governments at all levels and departments under the State Council should make arrangements in the light of their specific conditions so as to carry out smoothly the rational transfer of scientific and technological personnel.

RENMIN RIBAO ON RATIONAL TRANSFER OF SCIENTISTS

HK290411 Beijing RENMIN RIBAO in Chinese 23 Jul 86 p 1

[Commentator's article: "Persist in Reform and Promote Rational Transfers of Qualified Personnel"]

[Text] Over the past few years, there have been two different views on transfers of scientists and technicians from one place to another. The vast majority of comrades hold that rational transfer of qualified personnel helps readjust between surplus and shortage of trained people in some localities and work units, improve the distribution and structure of scientists and technicians, and solve practical problems of some scientists and technicians who cannot work with what they have studied and what they are good at and who cannot live together with their families. This is of great significance for giving full play to the role of scientists and technicians. However, some comrades worry that transfers of trained people may upset work schemes of some units and lead to a drain of trained people from remote areas to big cities.

What on earth is the real state of affairs? Here are the facts. In 1983, a total of 190,000 scientists and technicians flowed from one place to another throughout the country. Fifty-nine percent of them flowed to state key construction projects, the forefront of industrial and agricultural production, and units and trades where trained people were badly needed. In 1984 and 1985, the flow of scientists and technicians to remote and backward areas increased substantially. In the past, numerous trained people flowed from some remote areas and provinces, but in the past 2 years, the number of trained people "flowing in" was greater than that "flowing out." Meanwhile, over the past few years, labor and personnel departments at various levels and departments in charge of employment of scientists and technicians have strengthened macroscopic guidance over transfers of scientists and technicians, and all provinces, prefectures, and counties have set up a total of over 1,000 organizations for exchange of trained people, and these organizations have done a great deal of painstaking work. Transfers of trained people were mostly carried out through these organizations and the trend of the transfers was by and large healthy.

Of course, when scientists and technicians were transferred according to their own preferences, some problems arose in some areas in a certain period of time. For example, in order to make up for shortages of trained people, very few areas and work units adopted some irregular practices. They lured talented people from other areas and units that also badly needed trained people by offering good pay, housing, and other liberal terms and being promised that there was no need of changing their administrative subordination, domicile, files regarding wages and rationing, and their CPC and CYL membership credentials. Such practices made a certain impact on remote areas and the trades and units where working conditions are hard, and affected the stability of the ranks of scientists and technicians there. However, the emergence of these problems is not an inevitable result of transfers of talented people. On the contrary, it does not accord with the principle and orientation of promoting rational transfers of trained people.

In the past, qualified personnel "belonged to certain departments and units," "once they were assigned to certain areas or units, they had no opportunities to change in their life," and "the employment system was like a pond of stagnant water," but today rational transfers of talented people is encouraged. [paragraph continues]

This is a major reform measure in breaking the old employment system of qualified personnel. Some problems emerging in our work of promoting rational transfers of talented people are problems that arise in the course of advances and in the execution of the reform. These problems can be solved only by further improving our reform measures.

The economic restructuring and reform of the science and technology management system and of the educational system have proposed a new requirement and created new conditions for rational transfers of scientists and technicians. To reinvigorate the economy and to enliven scientific, technological, and educational undertakings, it is unimaginable that our employment will remain unchanged. If our reform should be carried out in an overall way, then reform of our employment system of scientists and technicians and also provides a guarantee for promoting transfers of talented people by establishing a system. From some experimental units, we may see that under the professional post management system, work units have the right to choose their scientists and technicians, and conversely, scientists and technicians have the right to accept or refuse work units. With the implementation of the system, a favorable climate will be gradually created for promoting rational transfers of scientists and technicians. Apart from the system, we will, of course, adopt some other measures to the purpose such as temporarily transferring scientists and technicians, recruiting them, and offering them concurrent posts.

Viewing the situation as a whole, we may see that what we have done in promoting transfers of scientists is just a start. According to figures, in 1983, the percentage of scientists and technicians who transferred was only 2 percent of the total; in 1984, the percentage was 3; and in 1985, there was some more increase. Generally speaking, however, the percentage is still very small. The phenomena of overstocking, wasting, and misusing scientists and technicians has not been fundamentally eliminated, and the channel of rational Transfers of Scientists and Technicians is now still not free-flowing. To promote the rational transfers in order, we still have a long way to go. Following the enforcement of "Some Regulations Governing Rational Transfers of Scientists and Technicians" in 1983, the State Council has now issued the "Circular on Promoting Rational transfers of scientists and technicians." The guideline of the circular is to reform and enliven our employment system. According to the practice of transferring scientists and technicians according to their own preferences over the past few years, the circular has formulated some rules for the implementation of the professional post engagement system, resignation, and adjudication of disputes. As long as authorities at various levels conscientiously carry out the circular and adhere to the orientation of reform,, a new situation will certainly emerge in rational transfers of scientists and technicians and some problems arising in the course of the transfers will also be solved, thus creating more favorable conditions for them to display their talent and realize their lofty aspirations in the four modernizations.

SOFT SCIENCE DEVELOPMENT SERVES DECISIONMAKING

OW281136 Beijing XINHUA Domestic Service in Chinese 0809 GMT 27 Jul 86

[By reporter Wu Ming]

[Text] Beijing, 28 Jul (XINHUA) -- Following the development of soft science study in China, science and technology have gradually expanded the scope of their services -- from serving economic construction to serving decisionmaking -- making China's decisionmaking more and more scientifically based.

In recent years, to facilitate high-level decisionmaking, a number of full-time soft science research organs, such as the Administrative Reform Research Institute of the State Commission for Restructuring the Economic System, the State Council's Economic, Technical, and Social Development Research Center, the State Planning Commission's Forecast Center, the State Scientific and Technological Commission's Scientific and Technological Promotion and Development Research Center, have been set up in China. A number of natural science research institutes have also expanded their research to cover the field of soft science. The No 710 Institute under the Ministry of Astronautics Industry, for example, has gradually regarded system science as its main branch of study; and the Institute of Mechanical Science, the Institute of Coal Mining Science, and the Institute of Forestry Science have also set up soft science institutes or research centers. At the same time, a number of institutes under the Chinese Academy of Social Sciences have also recruited a large number of natural science researchers, and more and more natural scientific methods and new technological means have been employed to study socioeconomic issues. The trend of bridging the studies of natural and social sciences has appeared in schools of higher education.

Initial statistics show that China now has 420 soft science organs, and their 15,000 or so full-time soft science researchers have so far accomplished the study of over 1,700 soft science projects.

The benefits of China's soft science study can primarily be observed in the state's macroscopic decisionmaking. During the Sixth 5-year Plan period, the State Planning Commission's Economic Forecast Center and other institutes, on the basis of the nation's 1981 economic activities, drafted a table of nationwide investments and output of 24 economic departments revealing the various economic departments' technical and economic ties, thus laying a good foundation for economic analysis and ensuring an overall balance of various economic sectors. Chinese economic and research departments and schools of higher education have also used various ways to design and build models of China's macroscopic economic development, and carried out researches on integrating mechanical and electrical industries, the prospects for the development of microelectronics industry, the establishment of information networks, and the development of large-scale agricultural production, thus providing valuable reference for the formulation of the Seventh 5-Year Plan.

As the study of soft science develops, technical assessments of large projects become more pertinent, and they have begun to produce significant social and economic benefits. Using the methodology of systems engineering and operational research to assess the technical transformation project of the Xiangtan Iron and Steel Plant, the University of Sciences and Technology for National Defense presented a new project, reducing the projected investment of the original plan by one-third.

Meanwhile, embryonic consultative services, which carry out soft science study in the light of local situations, have also appeared in some provinces, cities, and counties. During the Sixth 5-Year Plan period, soft science organs in Tianjin completed studies on agricultural zones and resources, the study of urban ecological system and comprehensive pollution control, and the study of an urban communications and comprehensive improvement plan. The results of some studies have been directly adopted by the municipal government, and some have been used as important references for making decisions. From early 1984 to early 1985, Jingyu County in Jilin Province used systems engineering measures and computers to study an overall development plan. By diagnosing the county's problems, potentials, and resources, and setting forth the strategic principle for overall development, the study expedited the county's economic reform. Consequently the county has doubled its industrial and agricultural output 3 years ahead of schedule, and the peasants' average per capital income increased 195 yuan in 1985.

SONG JIAN CALLS FOR SOFT SCIENCE DEVELOPMENT

OW280240 Beijing XINHUA Domestic Service in Chinese 1035 GMT 27 Jul 86

[By reporter Wu Ming]

[Text] Beijing, 27 Jul (XINHUA) -- Song Jian, state councillor and minister in charge of the State Science and Technology Commission, said today at a national symposium on soft science research that we should overcome the prejudice of looking down upon soft science as something not absolutely necessary. This is an important social condition for the development of our policy-making sciences, he added.

Comrade Song Jian elaborated on the importance of soft science development. He said: Following the establishment of the party's basic principles and policies, party and government organizations, at all levels, should make decisions accordingly on numerous specific questions concerning social development and economic, science, and cultural construction, including policies, laws, regulations, and provisional rules. It should be noted that we have a large population and developments in various localities are uneven, and that there are, more often than not, different opinions interwoven and entangled in people's minds and habits with regard to the principles and policies on specific tasks. This means that thousand upon thousands of new tasks have to be done by our state and by various localities and departments. Success of these new tasks requires soft science research work.

Song Jian said: Our comrades in some organizations make contacts with various quarters of society every day and are buried in large amounts of routine work and numerous reports and statements. When making policy decisions, however, they are in a state of "starvation" and "poverty" because of lack of the necessary information. Generally speaking, our information system is imperfect, and our information organizations have as yet to be improved. The data provided by them are seldom useful or accurate. In particular, when policy decisions concerning the specific questions of various professions and trades are to be made, there is a strong feeling of insufficiency or even a complete lack of macro-information. This is one of the greatest difficulties we currently encounter in making policy decisions. We should, therefore, strengthen our macro-analytic work so that we may completely and clearly see the general trend.

Song Jian said: Historical experience and lessons have proven that courage, boldness, and resolution are important to the process of making policy decisions, but if this work is not supported by scientific data, it is hard to avoid the influence of individual traits and personal prejudice. Policy making is a lengthy, dynamic process. We cannot see if a policy is correct or not by a short-time or a partial examination. To solve this problem, an important scientific method is to make quantitative systematic analyses. For example, in making policy decisions on economic and technical matters, it is imperative to have quantitative analyses of the relevant situation as well as quantitative dynamic-state analyses. Trend forcecasts are also necessary in this regard. Song Jian called on natural and social science workers to work hand in hand and strive to make the work of policy decisions scientific and democratic.

Qian Xuesen, vice chairman of the CPPCC National Committee and chairman of China Association for Science and Technology, said in his speech that soft science, as a matter of fact, is a new soft technological revolution and a social technology that requires a small investment but can yield an enormous profit. The development of soft science in China requires: first, the collection of large amounts of information and materials; second, the special channels for acquisition of opinions from experts; and third, the establishment of a variety of models for quantitative analyses.

The Forum on Soft Science Research, which opened today, was sponsored by the State Science and Technology Commission. It is attended by responsible, concerned comrades from various departments, committees, provinces and municipalities, as well as over 300 soft science research workers. At the forum, experience and achievements in soft science research will be exchanged, and studies will be carried out on the significance and main tasks of soft science research during the new period.

XIAMEN SCIENCE, TECHNOLOGY CENTER OPERATING

HK280654 Hong Kong ZHONGGUO XINWEN SHE in Chinese 0225 GMT 25 Jul 86

[Text] Xiamen, 25 July (ZHONGGUO XINWEN SHE) -- The Xiamen Science and Technology Development Center founded not long ago has enthusiastically carried out activities with foreign countries, rendering service for the Xiamen Special Economic Zone in importing advanced technologies.

Since September 1985, the Xiamen Science and Technology Development Center has consecutively organized foreign scholars and specialists who are Overseas Chinese or of Chinese origins in such specialized fields as perfume, beer brewing, city water supply, food processing technology, biological medicine, nuclear power engineering, economics, and trade from Canada, the United States, Sweden, Belgium, and Italy to come to Xiamen for inspection, lectures, and technological exchanges, and some accords on a single item or a comprehensive nature have been signed on technological cooperation, exchange of talented people, and vocational training. At the same time, two international symposiums have been organized on nuclear power and lasers with the cooperation of relevant departments.

Construction of the building group of the Xiamen Science and Technology Development Center was recently completed; it is a joint investment of the State Scientific and Technological Commission, the Fujian Provincial Scientific and Technological Commission, and the Xiamen city government.

The build group covers an area of more than 10,000 square meters and consists of the main building, the exhibition hall, the conference building, the office building, and the guest house. The center is equipped with a computerized administrative system, a data house, microphotography, and movie, video, and slide projecting service. The building group will become a base for science and technology activities of the State Scientific and Technological Commission in the south.

It is learned that in fall 1986, the U.S. Illinois industrial technology samples exhibition, the symposium on technological cooperation with entrepreneurs from Rome, Italy, the technological exchange of Hong Kong computer products, as well as the technical and vocational training class run by Belgium for Mainland China will be held here.

TIAN JIYUN INSPECTS MOUNTAIN, POOR AREAS

HK220703 Hong Kong LIAOWANG OVERSEAS EDITION in Chinese No 28, 14 Jul 86 pp 3-5

[Article by unidentified LIAOWANG reporter: "Exploring a Way to the Peasants' Common Prosperity -- Factual Report on Vice Premier Tian Jiyun's Inspection of Poor Areas"]

[Excerpts] Tian Jiyun, member of the Political Bureau of the CPC Central Committee and vice premier of the State Council, recently inspected Jiangxi, Fujian, and the Shaanxi-Gansu-Ningxia region. During this inspection, which took over a month of traveling thousands of kilometers, he mainly investigated conditions of the poor and mountain areas and studied the plans for eradicating poverty and becoming rich. Recently, on a certain occasion, this reporter saw Vice Premier Tian Jiyun. He had just returned from those areas. His shiny brown face showed that he had been well-tanned in the western areas.

Over the past few years, great changes have taken place in China's countryside. There has been rapid economic development, and the peasants' livelihood has been greatly improved. However, in some areas, the economy has not developed quickly enough and the people's livelihood has not been greatly improved. In some other areas, the problems concerning the peasants' food and clothing have not been completely solved. This is an important economic and social problem that can never be neglected. If this problem is not solved as soon as possible, the four modernizations drive will inevitably be affected. The CPC Central Committee and the State Council attach great importance to this problem, requiring that the problem of food and clothing of peasants in most poor areas should be solved during the Seventh 5-Year Plan period, so that they can gradually eradicate poverty and become rich. This is a conception and arrangement of strategic importance.

In order to find a way to help the poor areas and poverty and become rich and to explore a way to the peasants' common prosperity, Tian Jiyun inspected Jiangxi and Fujian in southeastern China during March and April this year. He visited both the comparatively developed areas and the remote mountain villages, with emphasis on the poor areas, poor townships, and poor peasant households. From 26 to 29 March, he inspected Jiangxi's Jian Prefecture and listened to the reports of the prefectural CPC committee and nine counties and cities, including Yongxin, Lianhua, Wanan, Suichuan, Taihe, Ninggang, and Jinggangshan, as well as Xingguo and Ruijin of Ganzhou Prefecture.

In Ninggang County, he held a forum for rural cadres and visited villages, towns, and peasant households. In the first 10 days of April, he mainly inspected Anxi and Chongan, two relatively poor counties in Fujian Province. In order to find out how Document No. 1 of the central authorities had been implemented and how the old liberated areas and poor areas had worked to end poverty and become rich, he had a talk in Chongan County with the responsible persons of Zhenghe, Chongan, Jianou, Pucheng, Zherong, Pingnan, and Shounan Counties in northern and western Fujian.

Some areas on the Loess Plateau in northwest China, which covers an area of some hundreds of thousands of square kilometers and has a population of tens of millions, are among the poorest areas in China. To change the backwardness of these areas and promote their economic development is an important matter in the overall strategy for China's social and economic development. For this reason, soon after his return from the southeast tour, Tian Jiyun continued to make an investigation on the northwest Loess Plateau from 16 May. There, he accompanied General Secretary Hu Yaobang in inspecting Gansu's Gannan Zang Autonomous Prefecture, Lanzhou, and the Dingxi-Pingliang region. After that, he made an investigation in Ningxia's Guyuan Prefecture and northern Shaanxi area.

The two inspections took more than a month. During this period, Tian Jiyun made an overall investigation of the poor areas from various angles and through various sources. He repeatedly pointed out that judging from what he had seen on the way, the rural situation was really very good, but under the good situation, there was also some poor areas in varying degrees, and economic development was quite uneven. The uneven development exists everywhere in our country -- in a province, a prefecture, or even in a county. This problem merits our serious attention. He said: Since China has a vast territory, the conditions and situations in various areas differ from one another. Thus, the differences between them in economic development and standard of living are unavoidable. Even in the future, when the whole country is comparatively well-developed, this unevenness among various areas will continue to exist. However, we must not shut our eyes to the poverty in some areas at present, but must take effective measures to help them promote economic development so that the differences between them and the rich areas can be gradually reduced rather than expanded. Tian Jiyun required that the leaders at all levels should attach greater importance to the economic development of the interior while continuing to grasp well the work of opening up in the coastal areas, attach greater importance to and strengthen the work of the less advanced areas while continuing to grasp well the work of the better developed areas, and, out of our sense of responsibility for the people, take effective measures to help the poor areas solve their problems of food and clothing, and then, eradicate poverty and become rich while continuing to encourage a number of people and areas to get rich before others. In short, we must take the economic development of the whole country into account. [passage omitted]

Through his investigation of over a month, Tian Jiyun got some firsthand materials, heard the voices of the grass-roots cadres and masses, learned from them their rich experience in the struggle against poverty, and drew some conclusions and viewpoints. He has, thus, gained some initial ideas on changing the poor situation of these areas.

He said that in order to help the poor areas, we must follow the guiding ideology of unified planning, charging various levels with responsibilities, suiting measures to local conditions, and giving guidance for problems of a different nature.

In order to end poverty and become rich, we must pay attention to the following points: 1) To adhere to the principle of suiting our measures to local conditions and handle well the relationship between general and specific characters. All areas must proceed from their realities and develop their strong points while overcoming their shortcomings. They must find ways to make a breakthrough in light of their own conditions so as to shake off poverty and become rich. They must not mechanically copy others' models. 2) To handle well the relationship between the long-term and short-term objectives. It is necessary to pay attention to combining the long-term objective of our struggle with the solution of the current problems concerning food and clothing and the daily life of the masses. In order to attain our long-term objective, the current problems should be solved. In the initial stage, it is necessary to stress development of projects that require little investment but yield quick results and benefit all households. 3) To combine the work at key points with that in all areas and handle well the relations between them so as to promote the latter by drawing upon experience gained by the former. The purpose of making experiments at some key points is to spread their experiences. Once successful experiences are gained by the key points, they should be spread to all areas as soon as possible. But all this must be done in a down-to-earth manner so that substantial results may be achieved and both perfunctoriness and formalism may be avoided. 4) To follow the path of relying on our own efforts to eradicate poverty and become rich and to handle well the relationship between self-reliance and the necessary support by the state. The state must offer necessary support to the poor areas, but the latter must base themselves on self-reliance. It is necessary to overcome the ideas of "waiting, relying on others, and asking for support." An overall arrangement should be made for the use of funds collected through various channels to support the poor areas so that they may be concentrated and used on some major projects. Practices such as using such funds to build unnecessary buildings and to eat and drink extravagantly should be prohibited.

He pointed out that in order to end poverty and become rich, it is necessary to adopt effective measures. When he talked about this during his inspections, he used eight Chinese characters to stress the following four points: 1) Talented people. Where there are talented people, there is knowledge, technology, and strength, and there is the possibility of turning natural resources into wealth. The poor areas must try to invite more talented people and introduce more intellectual resources through various channels. 2) The processing industry. At present, the processing industry is still a weak link in the poor areas. It is necessary to make full use of local resources and manpower to vigorously develop the processing industry for agricultural and sideline products and to vigorously develop township enterprises. However, attention should be paid to the selection or processing items and to quality and economic returns. Blindness should be avoided. 3) Circulation. If circulation is not promoted, products cannot be turned into commodities. It is necessary to greatly develop diverse forms of commercial business and open up more channels for circulation. After circulation is promoted, transport facilities should also be improved. We cannot always rely on the "trains of horses carrying goods between mountain villages."
[paragraph continues]

4) Association. It is necessary to develop all forms of lateral associations in order to introduce talented people, technology, and information and to strengthen cooperation. In this way, more economic returns can be achieved, the quality of products can be improved, and the pace of development can be accelerated. Tian Jiyun required that all localities should strengthen the leading bodies and improve the quality of the cadres' contingent, paying particular attention to the strengthening of grass-roots leading bodies in townships and villages. They must appoint some capable cadres to take charge of the work of helping the poor areas and adopt a relevant responsibility system to attain the desired goal.

To change the backwardness of the poor areas is a grand and arduous strategic task. Before concluding his northwestern tour, Tian Jiyun, full of enthusiasm, wrote the following couplet for the local comrades:

The first line: Looking at the present, the achievements are great, and the people have full confidence.

The second line: Looking into the future, the struggle will be continued, and the prospects are bright.

The horizontal scroll: The task is heavy and the road is long.

Tian Jiyun said he hopes people will encourage each other with what the couplet says.

JIANGXI TELEVISION INTERVIEWS CHEN PIXIAN

OW280233 Nanchang Jiangxi Provincial Service in Mandarin 1000 GMT 26 Jul 86

[Text] According to Jiangxi Television Station [JTS], during a JTS interview at his residence in Beijing's Zhongnanhai on 21 July, Chen Pixian, member of the Secretariat of the CPC Central Committee and vice chairman of the NPC Standing Committee, inquired about the airing of the television program, Route of the Long March. He also heard a report by the program's production team on the airing of the show. Chen Pixian endorsed the work; he told the reporters that they have accomplished a very sensible project.

Happily answering the questions raised by reporters, Comrade Chen Pixian vividly recalled the 3-Year guerrilla war in southern Jiangxi and noted the significance and hardship of the war. Comrade Chen Pixian urged all party members, government workers, armymen, and people in Jiangxi to work in unity, persist in reform, and be brave in exploring so as to promote socialist construction in Jiangxi's old revolutionary areas.

FUJIAN SECRETARY ADDRESSES RECTIFICATION FORUM

OW300330 Fuzhou FUJIAN RIBAO in Chinese 19 Jul 86 p 1

[Excerpts] A 6-day provincial forum on discipline inspection and the rectification of party style in party and government offices concluded in Fuzhou on 17 July.

Chen Guangyi, secretary of the provincial CPC Committee, addressed the forum on 17 July. Gao Hu, member of the Standing Committee and secretary of the Discipline Inspection Commission of the provincial party committee, summarized the forum on behalf of the provincial party committee.

Jia Qinglin, deputy secretary of the provincial party committee, presided over the forum, and Zhang Chuandong, member of the Central Discipline Inspection Commission, attended. [passage omitted]

Dealing with the rectification of party style according to actual conditions in the province, Chen Guangyi, secretary of the provincial party committee, particularly discussed questions in the following six areas:

1. Doing a good job in the rectification of party style and discipline inspection is a task for the whole party, a task which has a bearing on the overall situation. After fully affirming the remarkable achievements made in the rectification of party style in the province over the past several years, Comrade Chen Guangyi pointed out: We should not overestimate our achievements but should continue to implement the principle of being resolute and persisting in rectifying our party style. We should conscientiously do so far 2 more years in order to fundamentally improve our party style.

2. Rectifying party style, opening to the outside world, and carrying out reforms are all major tasks concerning the future and destiny of the party and the country. Comrade Chen Guangyi pointed out: It is wrong to set the rectification of party style against opening to the outside world and carrying out reforms. He said: [passage omitted] Opening to the outside world and carrying out reforms are, in effect, exploratory and pioneering work. All our work should be oriented toward reform and should serve and promote it. [passage omitted]

3. It is necessary to rectify our party style resolutely and persistently and to grasp major cases. [passage omitted] In rectifying our party style, the important things we now should do are: 1) investigate and handle major or serious cases; 2) correct unhealthy tendencies; 3) overcome bureaucracy and improve our workstyle in party and government offices; 4) strengthen our party spirit and strictly enforce party and government discipline and the law; and 5) strengthen inner-party democratic life.

4. It is necessary to improve the workstyle and efficiency of party and government offices. This is a matter concerning whether or not our state organs can operate normally and efficiently and whether or not the political system can be suited to the reformed economic structure. The reform of the political system is still in an exploratory stage. Now we should begin with the improvement of workstyle in party and government offices and with having these offices serve basic units. Although a good start has been made in improving the workstyle of party and government offices, there are still many problems in this regard. Personnel in some offices are dilatory in doing things and handling official documents while those in other offices ask for and take bribes or abuse their powers to seek personal gain. [passage omitted]

5. It is necessary to uphold the principle of seeking truth from facts. Now some of our comrades have a misunderstanding that principles would not be upheld when seeking truth from facts is mentioned. This is wrong. Seeking truth from facts is the starting point as well as the objective for the rectification of party style and discipline inspection. [passage omitted]

6. Leading cadres and leading bodies should take the lead and set an example in rectifying party style. [passage omitted]

ZHEJIANG RIBAO ON PEOPLE'S ARMED FORCES WORK

OW300410 Hangzhou ZHEJIANG RIBAO in Chinese 20 Jul 86 p 3

[Article by Political Commissar Liu Xinzeng of the Zhejiang Provincial Military District entitled: "Strive To Create a New Situation in the Work of the People's Armed Forces"; capitalized passages published in boldface]

[Excerpts] The successful completion of the transfer of the People's Armed Forces to local authorities forms the basis for further creating a new situation in the work of the People's Armed Forces. What merits consideration and study now is how to actively explore new ways to adapt to changes in the guiding ideology and the strategy for building national defense and to the reform the leadership system in accordance with the new situation in the work of the People's Armed Forces following the transfer of the People's Armed Forces to local authorities. This is vital to the key issues of better subjecting the work of the People's Armed Forces to the overall interests, of the long-term construction of national defense reserve forces, and of further inheriting and enhancing the glorious tradition of party control over the armed forces.

I. RECTIFY IDEOLOGY AND COMBINE "NEW CONTRIBUTIONS" WITH "NEW DEVELOPMENTS."

The main purpose of transferring the People's Armed Forces to local authorities is to further subject the work of the people's armed forces to the overall interests and to make new contributions to building the two civilizations with the emphasis on economic construction. It is also aimed at fundamentally strengthening the building of reserve forces in order to achieve new developments in the work of the People's Armed Forces. Epitomizing the dialectical unity of the overall and partial interests and of subordination and strengthening, these "new contributions" and "new developments" should serve as the basic requirements for us to develop and steer the work of the People's Armed Forces in the future. [passage omitted]

The key to making new contributions and achieving new developments lies in systematically combining the two. [passage omitted]

While consolidating past achievements, we should persist in carrying out sweeping reform, open up new fields of activity, strive to proceed toward systematizing and standardizing our approaches, and explore every method so as to combine the "new contributions" with the "new developments" as soon as possible. This should be accomplished by taking into account the actual situations in the various localities in accordance with the requirements imposed by the new situation, new tasks, and the new system. [passage omitted]

II. STRAIGHTEN OUT RELATIONSHIPS AND CORRECTLY AND EFFECTIVELY IMPLEMENT A DUAL LEADERSHIP.

The system of dual leadership remains unchanged after the transfer of the People's Armed Forces to local authorities. [paragraph continues]

Because of the change in the subordinate relationship, however, the leadership relationship and the leadership functions have undergone great changes. [passage omitted]

These new situations and characteristics require both the Armed Forces and the local authorities to straighten out their relationships, define their respective functions, improve their leadership styles, and forge a genuinely cooperative form of leadership as soon as possible. In this way, they will be able to maintain the continuity of the work of the People's Armed Forces and carry forward the momentum of development and progress. [passage omitted]

III. STEP UP STUDIES AND MASTER THE SKILLS IN THE TWO FIELDS OF ECONOMIC CONSTRUCTION AND MILITARY WORK

Central to adapting to the new situation in changes in the guiding ideology and the strategy for building the national defense and in the transfer of the People's Armed Forces to local authorities is the need to step up studies. Cadres at all levels should master the skills in the two fields of economic construction and military work. [passage omitted]

To really master the skills in these two fields is an extremely difficult task. Every comrade should take into account his duties and educational level in discerning the importance and the necessity of studying and in fostering the concept of studying diligently. It is necessary to formulate studying plans, adopt lively studying methods, and organize cadres to study.

Conscientious efforts should be made at all levels to sum up experience in this connection, carry out education with the use of typical examples, commend the advanced, and promote further studies.

LI GUIXIAN INSPECTS ANHUI FLOOD AREAS

OW300206 Hefei Anhui Provincial Service in Mandarin 1000 GMT 21 Jul 86

[Excerpt] Provincial CPC Committee Secretary Li Guixian [as heard] paid a visit to Jinzhai and Luan Counties on 19 and 20 July to inspect the situation there following recent flooding and waterlogging. He met with the flood victims and held discussions with the local cadres and masses in the counties to find ways to increase production and pursue self-recovery.

In all the places he visited, Comrade Li Guixian listened attentively to the reports of the local cadres and people, visited the flood victims in the residential areas and made detailed inquiries about food and living conditions for the people and fuel for cooking. He encouraged the people to confront the disaster and make up for the losses caused by flooding. Comrade Li Guixian urged the cadres to ensure that everything is done well for the daily life of the flood victims, send medical personnel to the flood-stricken areas for disease prevention and medical treatment work, and take steps to ensure the safety of people and animals. [passage omitted]

GUANGDONG LEADERS THANK PLA FOR RELIEF WORK

HK291231 Guangzhou Guangdong Provincial Service in Mandarin 0300 GMT 29 Jul 86

[Text] In the afternoon of 28 July, Lin Ruo, secretary of the provincial CPC Committee; Ye Xuanping, deputy secretary of the provincial CPC Committee and governor went to the PLA units stationed in the province. They expressed their gratitude for the Guangzhou Military District as well as the Army, Navy and Air Force attached to the province for their great contributions in fighting disasters and providing disaster relief.

Because of this year's Typhoon No 7, the province experienced the most serious natural disaster since the founding of the state. But the Guangzhou Military District, as well as the Army, Navy and Air Force attached to the province, promptly and voluntarily helped localities fight the natural disaster and provide disaster relief, resulting in many touching stories.

Comrades Liu Ruo and Ye Xuanping also went to Guangzhou Military District, Guangzhou Air Force, Guangdong Military Region, and the organs of the Nanhai Fleet in Guangzhou. On behalf of the provincial CPC Committee and government, as well as the people living in the disaster areas, they expressed heartfelt thanks to them. The leaders also said that they would mobilize all cadres and people to learn from the PLA.

You Taizhong, commander of the Guangzhou Military Region; and Zhang Zhongxian, political commissar of the military region, warmly received the leaders of the provincial CPC Committee and government, and talked about their close relations.

HENAN'S FOREIGN TRADE SITUATION IN FIRST 6 MONTHS

HK291438 Zhengzhou HENAN RIBAO in Chinese 20 Jul 86 p 1

[Report by Zhou Dechun: "Gratifying Situation of Foreign Trade and Export in Our Province in the First Half of This Year."]

[Text] From January to June the export volume of the province's foreign trade amounted to \$237 million or so, constituting 62 percent of the annual plan or a real increase of more than 43 percent over the same period of last year. The task of exporting bulk key commodities, such as cotton and feed to earn foreign exchange for the whole year have been fulfilled. This is a situation never seen before in our province.

Since the beginning of this year, various localities have attached importance to foreign trade and export work, brought the enthusiasm of production enterprises and goods suppliers into full play, given priority to the production of export goods, and paid close attention to the purchases of seasonal, marketable commodities. The volume of export goods purchased in the first 6 months of 1986 increased more than 100 percent over the corresponding period of the previous year, fulfilling 77 percent or more of the annual plan. Prefectures and cities, such as Zhoukou, Kaifeng, Nanyang, and Shangqiu have overfulfilled their purchasing tasks for the whole year.

To earn more foreign exchange and to do so earlier, all import and export companies in the province paid close attention to the conclusion of transactions and the execution of contracts in regard to exports. While strengthening sales promotion on the traditional markets in Hong Kong, Japan, and Southeast Asia, the province held talks on exports in Hamburg, West Germany last March, with the stress on the West European Economic Community market.

HAO JIANXIU TOUR OF XIZANG REGION REPORTED

Meets Xizang Leaders

HK230545 Lhasa Xizang Regional Service in Mandarin 1130 GMT 19 Jul 86

[Excerpts] On the afternoon of 18 July, comrades who are inspecting and guiding work in our region, including Hao Jianxiu, secretary of the Secretariat of the CPC Central Committee, cordially met with leading comrades of the region and extended cordial greetings and lofty respects to them and through them to the people of all nationalities, cadres, intellectuals, and patriotic persons of the whole region and to the commanders and fighters of PLA units stationed in Xizang and of the People's Armed Police Corps.

Comrade Hao Jianxiu said: We have come to Xizang for several days. We have personally experienced a taste of the climate of the plateau. At the same time, we heartily esteem the cadres and masses of all nationalities who have built Xizang and defended the border areas for a long period of time. [passage omitted]

At 1840, accompanied by regional CPC Committee Secretary Wu Jinghua; Deputy Secretaries Aidi, Doje Cering, Mao Rubai, Dangzin, and Gyanincain Norbu; Regional Advisory Commission Chairman Zhang Xiangmin; and Regional CPC Committee Standing Committee Member Hu Songjie; comrades, including Hao Jianxiu, stepped into the reception hall and all those present broke out into prolonged applause. In a very cordial atmosphere, in both Tibetan and Han Languages, Raidi first introduced to the leading comrades of the region Hao Jianxiu, secretary of the Secretariat of the CPC Central Committee; Zhang Guoying, first secretary of the secretariat of the All-China Women's Federation; Comrade Liu Yandong, secretary of the Secretariat of the CYL Central Committee; and other comrades accompanying Comrade Hao Jianxiu to the region. Later, he introduced to comrades, including Hao Jianxiu, the principal leading comrades of the regional CPC Committee, regional Advisory Commission, regional People's Congress Standing Committee, regional People's Government, Xizang Military District, and regional CPPCC Committee. Among them were Pagbalha Geleg Namgya, Shengqin Louosangjianzan, Langjie, Jiangzhong Zhaxiduoji, Peng Zhe, Samding Doje Pamo, Puqueng, Jyamco, Gyibug Puncogcedain, Tudao Doje, Gong Daxi, Gao Tangjin, Zhang Fengjiao, Lhamin Soinam Lhunzhub, Jimzhong Gyaincain Puncog, Gaxoi Qoigyai Nyima, Danzeng Jiacuo, Lhalu Cewang Doje, Huokang Soinam Bianba, Tangmai Gongjue Baimu, Qaba Gaisang Wangdui, Zi Cheng, and so on.

Comrade Hao Jianxiu delivered an ebullient speech to the leading comrades of the region. [passage omitted]

Comrade Hao Jianxiu said: The CPC Central Committee and State Council have shown great concern for Xizang. In accordance with the central authorities; introduction on proceeding from realities in everything, we have come this time to investigate and study the problems of regarding the development of tourism to bring along the production of commodities, developing Xizang's light industrial products with the processing of agricultural and sideline products as the main work, and developing the minority-nationality handicraft industry. We have studied with the regional CPC Committee and government the measures for speeding up Xizang's construction. All departments of the central authorities are willing to do useful work to make Xizang prosperous and rich. Arrangements have been made for what the comrades of the relevant departments of the central authorities have come to Xizang to do. The All-China Women's Federation and CYL also brought little gifts. Although the gifts are small, they are a token of the regard of all people throughout our country.

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Comrade Hao Jianxiu's speech aroused the warm applause of the comrades.

Others who were received included leading comrades of all relevant departments and bureaus of the region, the commissioners and mayors who are attending the meeting of the commissioners and mayors, and leaders of the regional Buddhist Association.

Before the reception, comrades, including Hao Jianxiu, listened to the work report of the regional CPC Committee and the report on the situation in the structural reform of our region.

After the reception, comrades, including Hao Jianxiu, had a group photo taken with the leading comrades of the region to mark the occasion.

Visits Lhasa Factories

HK231019 Lhasa Xizang Regional Service in Mandarin 1130 GMT 20 Jul 86

[Excerpts] On the afternoon of 19 July, when the work group of the central authorities to Xizang was visiting and inspecting Lhasa Carpet Weaving Mill and Chengguan District No 1 comprehensive factory, they studied the problems of developing the minority-nationality handicraft industry.

When, accompanied by comrades including regional CPC Committee Secretary Wu Jinghua and regional People's Government Vice Chairman Puqung, comrades of the work group to Xizang, including Hao Jianxiu, secretary of the Secretariat of the CPC Central Committee; Zhang Guoying, first secretary of the Secretariat of the All-China Women's Federation; and Liu Yandong, secretary of the Secretariat of the CYL Central Committee, arrived at Lhasa Carpet Weaving Mill and Chengguan District No 1 comprehensive factory, the workers of the two factories wore national costume and welcomed with their traditional etiquette their dear ones from Beijing. [passage omitted] In addition to listening to the reports on the situation of the two factories, some comrades, including Hao Jianxiu, also inspected all workshops. [passage omitted]

Afterward, Comrade Hao Jianxiu met with responsible comrades of the education departments of 16 provinces and municipalities which have run Xizang classes and of schools, and comrades of the national geological and mining system, the workers' idelas report group, Zhejiang Provincial delegation for supporting projects in Xizang, and the Nationalities Institute of the Academy of Social Sciences. [passage omitted]

Urges Forestry Protection

HK270540 Lhasa Xizang Regional Service in Mandarin 1130 GMT 24 Jul 86

[Excerpts] On 21 and 22 July, led by Hao Jianxiu, secretary of the Secretariat of the CPC Central Committee, the central work group to Xizang conducted investigation and study in Nyingchi Prefecture. They put forward guiding views on the problems of enterprise management, energy resources, and forest protection. [passage omitted]

Accompanied by Wu Jinghua, regional CPC Committee secretary; Jyamco, regional People's Government vice chairman; Zhang Fengjiao, Xizang Military District deputy commander; and (Yang Houdi). regional CPC Committee secretary general, the central work group inspected work in Nyingchi. the Nyingchi Prefectural CPC Committee, perfectural Commissioner's Office, workers and peasants of all nationalities, PLA commanders and fighters, and school teachers and students warmly welcomed the leading comrades of the central authorities in various ways. [passage omitted]

Liu Yandong, secretary of the Secretariat of the CYL Central Committee, also delivered a lengthy speech at the Xizang College of Agriculture and Animal Husbandry and held a forum. On 23 July, the leaders of the central authorities and region returned to Lhasa. [passage omitted]

On the afternoon of 22 July, after investigation and study, the work group held a forum on the protection of forest resources and utilization of energy resources. At the forum, Comrade Hao Jianxiu said: The problem of using timber as fuel is not only a problem in the woollen textile mill but also a problem in the whole region. We must basically solve it. We must substitute electricity for timber as fuel. We must also study and formulate the principle and policy on protecting, exploiting, and utilizing forest resources. [passage omitted]

In discussing the problems of energy resources and forest protection, Comrade Wu Jinghua also spoke. He said: We should not use timber as fuel. The historical duty has rested with the people of our generation. We must be determined to solve this problem. The key to not using timber as fuel lies in solving the problem of electricity. We must be resolved to take the road of substituting electricity for firewood. [passage omitted]

Stresses Tourism Development

HK281508 Lhasa Xizang Regional Service in Mandarin 1130 GMT 27 Jul 86

[Excerpts] On the morning of 26 July, Hao Jianxiu, secretary of the Secretariat of the CPC Central Committee, and her party listened to the work report by the Xigaze Prefectural CPC Committee. They then met with responsible persons of Xigaze Party, government, and Army, CPPCC Committee, religious circles, and all mass organizations.

Comrade Hao Jianxiu extended cordial greetings to the personages of various circles of Xigaze. [passage omitted] Comrade Hao Jianxiu said: In recent years, agricultural and livestock production and nationality handicraft industry in Xigaze Prefecture have developed very greatly. People's livelihood has constantly improved. This is the might of the party's policies on enriching the people as well as the result of the efforts of the people of all nationalities in Xigaze. The CPC Central Committee and State Council have shown great concern for Xizang's construction and the well-being of its people. In accordance with the instruction of the CPC Central Committee and State Council, we have come to Xizang this time to conduct investigation and study and to do our utmost to help Xizang successfully formulate the Seventh 5-Year Plan. Those who have come this time include members of the Ministry of Light Industry, Ministry of Textile Industry, Minister of Commerce, and CYL Central Committee, and All-China Women's Federation. They have come to do practical work. [passage omitted]

Comrade Hao Jianxiu hoped that Xigaze Prefecture would fully take advantage of its strong points so as to turn it into a tourist spot of our country and even of the whole world. At the invitation of Great Master Banqen, Comrade Hao Jianxiu and his party regional People's Government Chairman Doje Cering visited Banqen's new palace and were warmly welcomed by all working personnel of the new palace.

In the afternoon, accompanied by Chairman Doje Cering, Hao Jianxiu and her party visited (Zhaxi Minbu) temple and the Xigaze nationality handicraft article retail department.

HEBEI SECRETARY INSPECTS TANGSHAN 6-12 JULY

SK250448 Shijiazhuang Hebei Provincial Service in Mandarin 2200 GMT 12 Jul 86

[Text] On the eve of the 10th anniversary of the Tangshan earthquake, Xing Chongzhi, secretary of the provincial CPC Committee, went to the urban and rural areas of Tangshan City from 6 to 12 July to conduct an inspection and give guidance on their work.

During a talk with leading comrades of Tangshan City, Xing Chongzhi said: We are now faced with many tasks. Here I want to stress one point, that is, how should we mobilize the initiative of cadres in achieving success the economic construction. This is not only the task of Tangshan, but the task of the entire province.

During his sojourn in Tangshan, Comrade Xing Chongzhi listened to the work reports of the Tangshan City CPC Committee and the city People's Government, inspected the scene of the new Tangshan, and, despite hot weather, visited Jidong Cement Plant, the Tangshan Construction Ceramic Plant, the Tangshan No 1 Plastics Plant, and six other enterprises, as well as Leting, Luanxian, and Fengnan Counties. He also cordially visited the paraplegic patients of the Tangshan City Sanatorium for Paraplegic Patients, Orphans, and Childless Old People and the comprehensive welfare center and orphans' center.

Comrade Xing Chongzhi convened forums on two occasions. On the afternoon of 12 Jul, while talking with leading comrades of Tangshan City, Comrade Xing Chongzhi fully affirmed and praised the work done by Tangshan City. He said: During my visit to Tangshan, I have been impressed by the rapid development and changes here. The 10-year turmoil brought great suffering to Tangshan. Before this political turmoil ended, an exceptionally serious earthquake occurred in Tangshan. Now 10 years have passed since the earthquake. During those 10 years, the Tangshan people not only had to set wrong things right to solve various problems left over from the Cultural Revolution, but also to carry out repairing and construction projects on a large scale. Therefore, the past 10 years were the most arduous and strained period for leading cadres at all levels and the large number of the masses throughout Tangshan, as well as a period witnessing the greatest achievements. Over the past few years, the Tangshan City CPC Committee and the city People's Government have adopted feasible guiding ideologies, and have scored tremendous achievements in reform and construction. We can say that the city has laid a very solid foundation for making still greater progress in the future.

Tangshan will usher in a new historical stage during the following 10 years, which can be considered a period of vigorous economic development. Based on the new situation created over the past 10 years, we should mobilize the entire party and all the people to wholeheartedly engage in the four modernizations and economic invigoration.

Comrade Xing Chongzhi said: We are faces with many tasks. I want to stress one point, that is, how should be mobilize the initiative of cadres to achieve success in economic construction. This not only the task of Tangshan, but the task of the entire province. When he said so, he did not mean that all of our cadres have great potentials. Some cadres' mental attitude has not been good. A handful of persons have indulged in evil practices rather than doing what is proper, thus holding the four modernizations back.

Comrade Xing Chongzhi said: At present, owing to the serious case of eating from the the same big pot among party and government organs, quite a few cadres are very impatient with waiting for opportunities to use their abilities. While a few cadres and persons are drifting along aimlessly by depending on eating from the same big pot. We should work out a method to mobilize cadres at all posts wholeheartedly serve the four modernizations.

Then, Comrade Xing Chongzhi put forward some measures to solve these problems. He said: First, we should continue to staff leading bodies well. Among party and government cadres, the system of assuming responsibilities to fulfill set targets should be popularized. In evaluating and employing cadres, our judgement should be based on their practical performance and achievement. Among the ranks of cadres, particularly among leading bodies, we should strengthen democratic activities, provide wide opportunities for airing views, and encourage cadres to criticize and supervise one another. At the same time, we should reinforce discipline, and administer the party strictly. We should sponsor short-term training courses for cadres in a planned way in light of the situation in the ranks of cadres, we should streamline organizations, and we should introduce the system of personal responsibility. What is more important is the exemplary role. The higher-level organizations should set an example for the lower-level organizations; the leading cadres should set an example for the ordinary cadres; party members should set an example for the nonparty figures; the veteran cadres should set an example for the new cadres; and the cadres should set an example for the masses.

Comrade Xing Chongzhi also stressed: Whether or not we can score greater achievements in the Seventh 5-Year Plan period than in the Sixth 5-Year Plan period depends on whether or not our cadres can work in a creative manner in line with the principles and the policies of the CPC Central Committee. This is the most important point.

NEI MONGGOL MILITARY DISTRICT MARKS ARMY DAY

SK300523 Hohhot Nei Monggol Regional Service in Mandarin 2200 GMT 28 Jul 86

[Excerpts] On the afternoon of 28 July, the Nei Monggol Regional Military District held a tea party for retired cadres living in Hohhot to mark Army Day. Attending the tea party were leading comrades of the regional CPC Committee, the regional Advisory Commission, the regional Discipline Inspection Commission, the regional People's Congress Standing Committee, the regional government, and the regional CPPCC Committee, including Tian Congming, Zhou Rongchang, Wang Duo, Lin Weiran, He Yao, Bai Junqing, Shi Shengrong, and Zhou Beifeng. Cai Ying, commander of the Nei Monggol Regional Military District, presided over the tea party. Liu Yiyuan, political commissar of the regional military district, made a speech at the tea party.

On behalf of the CPC Committee and the organ of the regional military district and the vast number of commanders and fighters throughout the region, Liu Yiyuan first extended festive greetings and sincere regards to all comrades retired from the army units. [passage omitted]

Leading comrades of the Nei Monggol Regional Military District also presented souvenirs to retired cadres. Literary and art workers gave brilliant theatrical performances to more than 500 veteran participants.

Also attending the tea party were leading comrades of the Nei Monggol Regional Military District, including Fang Chenghai, Zhang Fenglin, (Ha Si), (Chi Xuezhao), and (Guo Song). Also Attending the tea party were veteran comrades who had worked for the regional military district for a long period of time, including Ting Mao, Kong Fei, Huang Hou, Liu Chang, (Liu Yili), (Ta La), (Bai Yun), Bao Shengbin, (Xu Yuebo), (Haoyinzhaobu), (Liu Qingxiao), and (Meng Qingxiang).

HEILONGJIANG CALLS FOR IMPROVING MEDICAL ETHICS

SK290847 Harbin Heilongjiang Provincial Service in Mandarin 2100 GMT 28 Jul 86

[Text] Huang Qingyue, a worker of the Harbin poultry wholesale department, was badly injured at work and finally died at the gates of a hospital after being refused a bed by seven hospitals in Harbin.

Sun Weiben, secretary of the provincial CPC Committee, made two written instructions calling for efforts to organize groups to clearly investigate the event and to take measures for improving medical ethics.

In accordance with the written instructions of Comrade Sun Weiben, the provincial and Harbin City governments jointly organized an investigation group on 28 July. (Sun Fenggang), deputy secretary general of the provincial government, was appointed head of the group. At the meeting to organize the investigation group, Jing Bowen, vice governor of the province, said that in association with the [words indistinct] incident which had taken place in the past, the incident of the injured worker Huang Qingyue being refused a bed by seven hospitals in Harbin was by no means fortuitous, and that by no means should this incident have taken place at the time when Harbin was carrying out the [words indistinct] activities.

Vice Governor Jing Bowen called on the investigation group to further make a thorough investigation of the incident and urged the people to be public-spirited in order to put an end to the occurrence of such incidents.

SUN WEIBEN SPEAKS TO PARTY SCHOOL GRADUATES

SK240316 Harbin Heilongjiang Provincial Service in Mandarin 0900 23 Jul 86

[Text] On 23 July, at the 84th graduation ceremony of the party school of the provincial CPC Committee, Sun Weiben, secretary of the provincial CPC Committee, said: The comrades graduated from party schools should break with the bonds with outdated ideas and bureaucracy, and should become reformers.

Sun Weiben said: Reform is the party spirit necessary for party members. Under the current situation of reform, the striking party spirit for party members is: Under all circumstances, they should be able to resist the temptation of money, refuse to abuse their powers to extort personal favors, pay attention to party spirit but not to factionalism, put stress on principles but not on the exchange of flattery and favors, and keep firmly in mind the purpose of wholeheartedly serving the people. So far as the teaching and studying purposes are concerned, the party school is different from other regular institutions because it is devoted mainly to teaching its students to remold their thinking and world outlook with what they have learned, fostering pioneers with a strong party spirit who can make practical contributions to revitalizing the Heilongjiang's economy, and educating its students to be worthy of the title of the party school of the provincial CPC Committee.

At the conclusion of his speech, Sun Weiben placed three expectations on the graduates: First, they should apply what they have studied to various projects of reform in line with the principle of studying for the purpose of application; second, they should set an example in correcting party style and reinforcing party spirit; and third, they should carry forward the tradition of arduous struggle and become a man of action.

A total of 390 students graduated this year from the party school of the provincial CPC Committee. Liu Chengguo, deputy secretary of the provincial CPC Committee and president of the party school of the provincial CPC Committee, also spoke at the ceremony. Wang Fei, secretary of the Discipline inspection Commission under the provincial CPC Committee, and Liu Zhongli, vice governor of the province, attended the graduation ceremony.

JILIN SECRETARY SPEAKS ON PARTY STYLE AT RALLY

SK260329 Changchun Jilin Provincial Service in Mandarin 0930 GMT 25 Jul 86

[Text] The provincial organs' leading group for the correction of party style held a rally of party-member cadres of provincial organs on 23 July. The rally stressed: The correction of party style and reform should be carried out in close coordination. Only when party style is rectified can reform progress smoothly. We must never slacken our efforts to rectify party style. In the latter half of this year, we should achieve success in handling major and serious cases, through which party style can be corrected. We should continue to improve the workstyle of organs, and correct the unhealthy trends of various trades so that party style can improve as quickly as possible.

The rally relayed the guidelines of the party style forum of north and northeast China held by the Discipline Inspection Commission of the CPC Central Committee, summed up the provincial organs' work to correct workstyle carried out in the first half of this year, and worked out tasks for the latter half of this year. It held: The correction of party style and reform should be carried out in close coordination. It is in line with the policies of the central authorities that we carry out reform. It is also in line with the policies of the central authorities that we check unhealthy trends. As has been proven in practice, areas which have done a good job in correcting party style have also made reform successful, and only when party style is corrected successfully can reform be facilitated.

Gao Di, secretary of the provincial CPC Committee, attended the rally. He said in his speech: At present, the provincial organs should conscientiously attend to the correction of party style, and should never slacken their efforts.

He continued: In rectifying party style, we should primarily grasp two tasks. The first is to step up efforts to handle the major and serious cases committed by party-member cadres. We should regard this task as an area through which a breakthrough in rectifying party style and party discipline through the investigations and handling of such cases. The investigations of major and serious cases is a task not only for discipline inspection departments but also for all departments. From now on, leading persons should be responsible for the major and serious cases that have occurred in their own departments. A responsibility system should be enforced so as to expedite this task. The second is to correct the unhealthy trends of various trades. This task is being carried out by all departments, but most of them do not exert firm efforts in it. From now on, all departments should formulate regulations clearly defining what their own trades advocate and oppose. They should launch activities to serve the people, and commend good persons and deeds. Although the provincial organs do not have direct contacts with the masses, they should also be held responsible for the unhealthy trends of various trades. All departments have their own tasks to fulfill.

Recently, the tendency of attending and giving dinner parties began to gain ground. All departments should conduct examinations against the six unhealthy trends pointed out in Document No 57 of the central authorities to see if the unhealthy trends extensively exist in their own departments.

Comrade Gao Di also emphasized: In the new situation of opening to the outside world and enlivening the domestic economy, it is of particular significance to strengthen the legal system and straighten out discipline. Reform will not inevitably but will possibly bring about law and discipline violations because there are some people who take advantage of the loopholes in reform. We should eliminate such a possibility. We should abide by the law and run the party strictly, and duly punish those who violate law and discipline.

Comrade Gao Di concluded: All departments should rectify party style, strictly enforce party discipline, and enhance party spirit through the activities to allow the masses to evaluate leading bodies and through holding party regular meetings. The organs under the provincial CPC Committee should set an example for the whole province to follow, do before others what they ask others to do, and exert real efforts to correct party style.

More than 500 persons attended the rally, including members of the CPC committees of the departments, committees, offices, and bureaus directly under the province, secretaries of the CPC committees of various organs, and leaders of discipline inspection groups.

GAO DI SPEAKS TO PARTY SCHOOL GRADUATES

SK260459 Changchun Jilin Provincial Service in Mandarin 0930 GMT 25 Jul 86

[Text] The Party School of the provincial CPC Committee held a graduation ceremony this afternoon for the students who entered the training classes of party and government leading cadres and political work cadres in 1984. Attending the ceremony were Gao Di, secretary of the provincial CPC Committee; Du Qinglin, Standing Committee member and Organization Department, director of the provincial CPC Committee; Hu Houjun, deputy director of the Propaganda Department of the provincial CPC Committee; and (Wang Xin), director of the provincial Labor and Personnel Department. They extended warm congratulations to the 169 students for their outstanding results in their 2-year study, and issued diplomas to them.

Gao Di, secretary of the provincial CPC Committee, spoke at the ceremony. He analyzed the province's situation in reform, and put forward what he expected of the students who will soon take on work posts. He said: Reform is an extremely great and comprehensive systems engineering, and a profound revolution. Comrades assuming leading posts should all the more formulate well-conceived plans, give meticulous guidance, conduct reform in a prudent manner with all-out efforts, and strive to minimize mistakes so as to push reform forward.

Gao Di stressed: While reforming the economic structure, efforts should also be made to reform correspondingly the political structure, streamline organs, raise work efficiency, improve the socialist legal system, and develop socialist democracy. Party and government work should be divided, and party leadership should be conscientiously strengthened.

Speaking on the (?cultivation) of young and middle-aged cadres, Gao Di said: Implementing the CPC Central Committee's policies and directives in a creative manner is one of the two major skills that Comrade Yaobang urged young and middle-aged cadres to learn to master.

In order to truly master this skill, we should carry out the work in three fields. First, we should adhere to the party's ideological line of seeking truth from facts, and implement its policies in line with the specific conditions of our own localities and departments. Second, we should provide fresh experiences to the central authorities and various localities through our own work. Third, we should take the initiative in making timely reports to the higher authorities on the specific policies and regulations of the central authorities and their subordinate departments that have yet to be improved.

In his speech, Gao Di urged the graduates of the party school to set an example in rectifying party style. He said that he believed that after returning to their work posts, they will certainly be able to analyze, (?clarify), and solve the various problems in practical work with the theoretical knowledge they have learned. He expressed the hope that they will become pioneers and creators of this era, and will make new contributions and score greater achievements in the building of the two civilizations.

LIAONING ON DOWNTREND OF INDIVIDUAL BUSINESS

SK290820 Shenyang Liaoning Provincial Service in Mandarin 2100 GMT 28 Jul 86

[Station commentary: "Efforts Should Be Made To Encourage or Help Individuals Open a Business"]

[Text] There is presently a large-scale decline in individual-run enterprises throughout the province. This actually represents a serious problem to which leading comrades of the party committees and the government at all levels should pay great attention.

Since the 3d Plenary Session of the 11th CPC Central Committee, rural areas throughout the province have rapidly witnessed a new economic situation in which various sectors with distinctive characteristics coexist. As of the end of 1985, the industrial plants and commercial centers that had been operated by individuals and had accommodated more than 480,000 workers and other employees totaled more than 280,000. This represents a breakthrough of historical significance. However, these plants and firms still cannot meet the needs of making the rural economy prosperous and developing commodity production. The provincial CPC Committee and the provincial People's Government have repeatedly stressed that we should achieve greater development among the individual-run enterprises. However, the current situation in this regard is just contrary to their expectation. We cannot but ponder deeply over the problem. According to the investigation data, the reasons for the problem are as follows: First, some departments have imposed excessive restrictions and given less assistance. As the individual-run enterprises complain, it is not easy to do business because of so many official checks and obstacles everywhere. Second, these individual-run enterprises have been unable to withstand the various expenses which were presented to them. In apportioning expenses, some localities have collected their expenses from the enterprises at will or forcedly imposed on them expenses of more than 20 different kinds in total. Third, in enforcing policies, some localities have been in high spirits one moment and in low spirits next, or adopted a leftist attitude one moment and a rightist one next. In delegating power, they have let things drift, and in conducting management, they have enforced regulations rigidly. Thus, the individual-run industrial plants and commercial firms have harbored so many doubts about the party's policies. Such a phenomenon is attributable to the lack of organizational leadership over collectives. Many localities have let their individual-run enterprises develop naturally, as a result, the enterprises have blindly built the units of production with strong points and blindly increased the variety of products.

As a result, these enterprises have not only failed to improve their product quality, but have also suffered dull sales and been forced to stop production or business. All of these problems have hindered to varying degrees the development of individual-run business.

Comrades in charge of rural work should (?note that), after the enforcement of responsibility systems in rural areas, many peasants have actively left their hometowns to open a business in the areas of industry, commerce, transportation, construction, and service. Some of them have opened business by signing contracts; some have engaged in joint-venture business; and some have invested in a business independently. This represents not only an objective demand for developing commodity production, but also an important sign that the standard of productive forces has been upgraded. In 1985 the individual-run industrial and commercial enterprises throughout the province realized more than 4.36 billion yuan of annual profits that have not only promoted the development of the commodity economy in rural areas, but have also increased the income of peasants, the volume of social commodities, and the tax revenues of the state.

Continuous effort to encourage or support individuals to develop business represents an important policy of our party as well as a practical step in building socialism with Chinese characteristics. It is a matter of course for the individual-run enterprises to encounter various negative factors in the course of development. However, these factors by no means are key problems. Only by enhancing leadership and doing a good job in conducting the work can the individual-run enterprises achieve healthy development. By no means should we give up eating for fear of choking, and still, we should not adopt an one-sided attitude toward the individual-run enterprises and should refrain from excessively finding fault. Only having the masses from top to bottom harbor a unified view, take unified action, and offer warm encouragement and support will our province certainly be able to bring about a good situation in which steady and healthy development of individual-run enterprises is achieved.

GANSU MEETING MARKS ARMED FORCES PROGRESS

HK240237 Lanzhou Gansu Provincial Service in Mandarin 2200 GMT 23 Jul 86

[Excerpts] Gansu Military District Commander Zhou Yuechi pointed out at the provincial conference on People's Armed Forces work on 23 July that the People's Armed Forces must suit the situation in reform, subordinate themselves to the overall situation in economic construction, and continually create a new situation in People's Armed Forces work.

After reviewing the great achievements in People's Armed Forces work in Gansu in the past 35 years, Zhou Yuechi said: Under the leadership and support of the provincial CPC Committee and government and the prefectural and county CPC committees and governments, the work of transferring the province's 82 county and city People's Armed Forces departments to the local authorities had been completed by the end of June. [passage omitted]

On the future work tasks of the People's Armed Forces departments, he pointed out that following their transfer to local authorities, these departments must shift the focus of their work to economic construction, and mobilize and organize the militia to launch a drive to extricate people from poverty and make them rich. [passage omitted] The militia must be organized to learn science and knowledge, learn how to manage production, actively develop commodity production, and lead the poor households in the rural areas to follow the path of common prosperity.

Governor Jia Zhijie spoke at the meeting. Provincial CPC Committee Secretary Li Ziqi and Deputy Secretaries Hou Zongbin and Lu Kejian attended. Also present were Gansu Military District Political Commissar (Wen Jinyi), Deputy Commander (He Zhiying), and Deputy Political Commissar (Li Xinling).

Meeting Concludes

HK260521 Lanzhou Gansu Provincial Service in Mandarin 2200 GMT 25 Jul 86

[Excerpt] The provincial conference on People's Armed Forces work concluded in Lanzhou on 25 July. Provincial CPC Committee Secretary Li Ziqi and Lanzhou Military Region Commander Zhao Xianshun spoke at the meeting.

Lu Kejian, deputy secretary of the provincial CPC Committee, delivered a summation. He said: Following their transfer to the local authorities, the People's Armed Forces departments have become a military department under the leadership of the local CPC Committees and government. The party committees at all levels must strengthen leadership over armed forces work, put on a sounder basis the system of sending the party forces work, put on a sounder basis the system of sending the party committee secretary to work in the armed forces department, and get a good grasp of professional training for People's Armed Forces cadres, to turn them into qualified armed forces cadres who understand economic construction and armed forces work. [passage omitted]

GANSU'S LI ZIQI SPEAKS AT COMMISSION MEETING

HK260519 Lanzhou Gansu Provincial Service in Mandarin 2200 GMT 25 Jul 86

[Excerpts] At a meeting of the provincial Advisory Commission held on 25 July to convey the spirit of the national forum of advisory commission chairmen, Li Ziqi expressed the hope that the veteran comrades will make new contributions to Gansu's efforts to eliminate poverty and make the people rich.

Li Ziqi said: the provincial Advisory Commission has worked in harmony with the provincial CPC Committee in doing a great deal of work. Some of the veteran comrades have obeyed the provincial CPC Committee in doing a great deal of work. Some of the veteran comrades have obeyed the provincial CPC Committee's assignment and grasped party rectification work in a serious and responsible way. Others, commissioned by the provincial CPC Committee and government, have been responsible for economic construction in old revolutionary bases and areas in difficulties. Still others regularly go down to the basic levels to investigate and study. They have tackled many major problems and put forward many constructive views. Some have taken part in party history studies and written revolutionary memoirs, and so on. [passage omitted]

He expressed the hope that the veteran comrades will help the CPC Committee in implementing the Seventh 5-Year Plan in unswervingly doing a good job in reform, and in working in a serious and responsible way to improve party spirit.

Huang Luobin, chairman of the provincial Advisory Commission, conveyed the spirit of the forum of advisory commission chairmen. Governor Jia Zhijie explained to the veteran comrades the situation in economic work and reforms in the province. [passage omitted]

SHAANXI ISSUE NOTICE CRACKING DOWN ON THEFT

HK260816 Xian Shaanxi Provincial Service in Mandarin 2330 GMT 24 Jul 86

[Text] The provincial People's Court, the provincial Procuratorate, the provincial Public Security Department, and the provincial Judicial Department recently issued a joint notice on hitting hard at theft, and urging criminals to surrender themselves and strive for lenient treatment.

The notice pointed out that those who committed such crimes as stealing money or goods, and hiding, destroying, collecting, and delivering stolen goods must have a clear understanding of the situation and immediately surrender themselves to local public security organs or security departments of their units so as to strive for lenient treatment. Those who surrender themselves voluntarily before 20 August will be exempted from punishment or given light punishment.

The notice pointed out that those criminals who committed theft but refused to confess their crimes and even went so far as to retaliate against people exposing them, and those who continue committing crimes, must be punished severely.

The notice also pointed out that enterprises, institutions, schools, and administrative organs, and particularly secondhand shops, smelteries, and waste goods collecting stations, must strictly abide by the state's policies and laws, and seriously implement all security measures.

As for those units which ignored security measures and inflicted heavy losses on the state and collectives through theft, it is necessary to investigate and affix the responsibilities of the leaders and people involved. As for those who committed crimes of malfeasance due to dereliction of duty, it is necessary to investigate and affix their responsibility for the crimes.

QINGHAI CIRCULAR ON CONTROL OF DEPOSITS, LOANS

HK290841 Xining Qinghai Provincial Service in Mandarin 2230 GMT 26 Jul 86

[Text] The provincial People's Government recently issued a circular urging governments at all levels in the province and the relevant departments to strengthen control over bank deposits, loans, and cash.

The circular pointed out that people's governments at all levels and the relevant departments must cooperate well with banks in strengthening control over bank deposits, loans, and cash. They must help enterprises establish the idea of circulating funds and [words indistinct]; do their utmost to improve business management, and control the unreasonable use of funds. Financial organs must actively provide the service of new types of bank deposits so as to raise funds for economic construction. Localities and departments are not allowed to set up local financial organs or engage in any kind of financial operations. They are not allowed to transfer the funds of banks or credit cooperatives for any reason. Individuals are not allowed to set up banks or other financial organs or to engage in financial operations. Operational cash income of units must be deposited with banks. It is necessary to investigate and affix responsibility to those units and individuals that seriously violate the cash management system.

In its circular, the provincial People's Government demanded that all banks, while making continuous efforts to strengthen macroeconomic control and accordance with the principle of giving different treatment and selective assistance, must strengthen the circulation of funds, develop inter-bank loans, properly manage and use loans, and actively support the need for funds in industrial, agricultural, and animal husbandry production, commodity circulation, and lateral economic ties.

To promptly settle loans between enterprises, the provincial government instructed the provincial financial and economic commissions to organize the relevant departments to set up examination groups to settle loans between enterprises in a down-to-earth manner.

SECOND EXHIBIT OF TAIWAN BOOKS OPENS IN SHENZHEN

OW252347 Beijing XINHUA in English 1428 GMT 25 Jul 86

[Text] Shenzhen, July 25 (XINHUA) -- The second exhibition of books published in Taiwan was opened today at the university in Shenzhen, one of China's four Special Economic Zones.

The exhibition, which ends on August 10, will continue to sell books till the end of this year.

Its two sponsors, the university's culture, science and technology service company and the Hon Wing Book Center of Hong Kong, organized the first exhibition in May 1985.

Last year, over 1,000 libraries on the Chinese mainland brought some 100,000 copies at the first exhibition.

On display at the current exhibition are more than 10,000 titles of books published in Taiwan over the past two or three years.

They cover literature, art, history, law, economics, sciences, management, engineering and medicine, with books on social sciences taking up a big percentage.

To mark the 120th anniversary of the birth of Dr. Sun Yat-sen (1866-1925), the founder of the Chinese democratic revolution, which falls November 12 this year, the exhibition displays some 300 of Sun's works, calligraphy, photos and other materials as well as works and theses on Dr. Sun Yat-sen.

More than 150 publishing houses in Taiwan have offered books for this exhibition, compared with some 50 publishing houses last year.

The aim of the exhibition is to promote cultural exchanges across the Taiwan Straits, said Shi Jingxuan, chairman of the board of the Hon Wing Book Center, at today's opening ceremony.

"Now Taiwan books have been exhibited on the Chinese mainland and I hope an exhibition of books published from the Chinese mainland will be held in Taiwan some day," he said.

TAIWAN ON PRC'S SEPARATION OF PARTY, GOVERNMENT

OW271415 Taipei International Service in English 0200 GMT 27 Jul 86

[Commentary: "The Dengist Version of Political Reform"]

[Text] Chinese Communist theoreticians recently called for a separation of party and government functions, urging the Communist Party to get out of government affairs and a redistribution of political power.

In an article published this Sunday by the official XINHUA NEWS AGENCY, Peking Propaganda Chief Zhu Houze quoted Deng Xiaoping as saying that political reform is urgent and necessary. The bold call, in the words of Western diplomats, was made during a conference last month at the Central Party School. Most participants at the conference agreed that the functions of the Communist Party must be separated from those of the government, the article said. One delegate was quoted as saying having the party do the work of government is like trying to run a modern industry with old-fashioned handicraft techniques.

Those who remember the 15-year sentence imposed on dissident Wei Jingsheng for his call for political modernization several years ago may wonder whether Deng has really come to agree with the young man he put in jail. The answer is no. There is a big difference between what Deng has in mind regarding political reform and what Wei demanded. Wei Jingsheng suggested a fifth modernization in reference to the Dengist four modernizations. He meant political democratization, the kind of political reform that will put the Communist Party out of business. The political reform suggested by the Dengists today has nothing to do with democratic rule. It merely wants the leftists in the party to get out of the way of economic reform. Neither Deng nor any of his followers has said anything about abandoning the four basic principles which will remain the bedrock of the Peking regime.

As one western diplomat remarked, the Communist Party is not going to abandon its leading role, adding that the Communist Party is not going to commit hara-kiri. Indeed, the Dengists are not talking about relinquishing control by the party. What they seek to achieve is what they call socialist democracy, meaning political reform within the framework of the communist system.

Actually, there is nothing new about the latest call for political reform. Last year Peking ordered party secretaries to halt interference in business enterprises, but the move aroused controversy and a considerable opposition from party cadres reluctant to surrender their power. Because of the obstructionist behavior of the party cadres in factories and business enterprises, the Dengist economic reform in the cities has met with severe setbacks. This is the background against which the call for political reform is being raised. Those who interpret the call as a signal for further loosening up by Peking would be in for a big disappointment. The kind of political reform suggested by Wei Jingsheng will have to wait until the Communist Party is toppled.

TAIWAN ATHLETES, REPORTERS GET SOVIET VISAS

OW300747 Tokyo KYODO in English 0701 GMT 30 Jul 86

[Text] Hong Kong, July 30 KYODO -- Taiwan's women's basketball team has obtained visas from the Soviet Embassy in Tokyo to play in the world championships scheduled for Moscow in August, according to an announcement from Taiwan received here Wednesday.

The 18-member delegation is the first Taiwanese group to receive visas from the Soviet Union, which does not maintain diplomatic relations with the government in Taipei. Three television reporters from Taiwan were also included in the group that was given visas to enter the Soviet Union.

ECONOMICS MINISTER COMMENTS ON TRADE WITH U.S.

OW281135 Taipei CNA in English 0941 GMT 28 Jul 86

[Text] Taipei, July 28 (CNA) -- The Republic of China [ROC] bought more American goods on a per capita basis last year than the United States bought ROC goods, Economics Minister T. H. Li said.

He said the country imported more than U.S. \$3 billion worth of American goods last year while exporting U.S. \$13 billion of products to the United States. As the U.S. has a population of 240 million against the ROC's 19 million, Li said, the people here are buying more American goods per capita.

If per capita income also is brought into the picture, it is more than evident, Li said, that the Republic of China is sincere in trying to improve trade relations with the United States.

Per capita income in the United States was U.S. \$12,000 last year while in the ROC it was U.S. \$3,100.

During next month's Sino-American trade talks in Washington, Li said, the Chinese delegation should point these facts out to the American side.

TAIWAN WARNS OF SOVIET SOUTH PACIFIC EXPANSION

OW260419 Taipei CNA in English 0310 GMT 26 Jul 86

[Text] Taipei, July 25 (CNA) -- The Soviet Union has never stopped its ambition to communize the world, and the latest of its series of ploys taken to realize its goal is to expand Soviet influence in the southern Pacific Ocean, the spokesman for the Ministry of Foreign Affairs said Friday.

Cheyne J.Y. Chiu made the remark in a regular news conference early in the day. He said the Soviets have stepped up their campaign to broaden the USSR's influence in the southern Pacific region by establishing diplomatic relations or signing fishery agreements with the countries in that area.

Because some Western countries have conceived the unrealistic idea of co-existence with the communists, the Soviets have utilized the concept and broadened their military presence all over the world, Chiu said. In recent years, the Soviets have continued to strengthen their air and naval powers in Asia and Pacific areas.

The free world should unite together in order to check the Soviets' rapid expansion, Chiu stressed.

REPORT, KNOWLEDGE RAISES CONFIDENCE IN DAYA BAY

HK270846 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1132 GMT 24 Jul 86

[Report: "People From All Walks of Life in Hong Kong Continue To Dig Into Issue of Safety of Daya Bay Nuclear Power Plant" -- ZHONGGUO TONGXUN SHE headline]

[Text] Hong Kong, 24 Jul (ZHONGGUO TONGXUN SHE) -- Recently, people from all walks of life in Hong Kong have been digging into the issue of the safety of the Daya Bay nuclear power plant. Many authorities, experts, and scholars believe that the more people know about nuclear power, the greater will be their confidence in its safety. If the parties involved can provide more information about the Daya Bay nuclear power plant and try to disseminate common knowledge about nuclear power, the local population's "nuclear power panic" can be gradually overcome.

According to a research report on the feasibility of the Daya Bay nuclear power plant released yesterday by one of the parties involved, in the event that an accident occurs at the Daya Bay nuclear power plant, its consequences, according to the most pessimistic estimation, will still be acceptable to Hong Kong people. The risk to which Hong Kong will be exposed is even more insignificant if it is calculated in a more realistic manner. According to this report, the site on Daya Bay is suitable for building a nuclear power plant. The report is the work of some foreign experts and Britain's Atomic Energy Administration. They conducted this research at the request of China Power and Light and Guangdong Nuclear Power Corporation 6 years ago. The details have yet to be published.

Many experts and scholars have suggested that given the world's limited oil reserves, nuclear power is a must if Hong Kong's industry and commerce want to enjoy a cheap power supply for a long time. They have pointed out that nuclear power is less dangerous than thermal power. One will find that under normal circumstance, a thermal power plant discharges more radioactive substances than a nuclear power plant even if one glosses over the accidents that may occur in the course of the excavation and transportation of coal. In addition, by producing carbon dioxide and dust, coal causes pollution. The experts believe that since China has been able to produce nuclear bombs and launch satellites, it can also run nuclear power plants. One should no longer question China's ability to run nuclear power plants.

Last night, returning from his study trip to Britain and France, Yaxley, Hong Kong's secretary for economic services, said that during his trip, he collected much information about how various nuclear power plants are going to deal with emergencies. The Legislative and Executive Councils will send a delegation to the United States and Europe next month to study their nuclear power plants' safety measures. The University of the Hong Kong and the Hong Kong Polytech will jointly organize a symposium on nuclear power to thoroughly study various aspects of nuclear power. These activities indicate that people from all walks of life in Hong Kong will continue to rationally dig into the issue of the safety of the Daya Bay nuclear power plant.

Some people hold that what Hong Kong people feel is a crucial factor in the debate over the safety of the Daya Bay nuclear power plant.

It is understandable that people should be worried about nuclear accidents. However, the best policy is to soberly and rationally look for the safest measures. One cannot solve problems by being emotional. One can only complicate matters by introducing politics to the issue.

A few days ago, Professor Yang Zhenning, a noted physicist, called on those who have gone the furthest in rejecting nuclear power to soberly study problems but not to raised objections "hysterically." He also pointed out that the introduction of politics to the issue of nuclear power is very dangerous to Hong Kong politically and economically.

Yesterday afternoon, Jacobs, Hong Kong's financial secretary, stated at the Legislative Council that China's Ministry of Nuclear Industry had agreed to distribute to the members of the Legislative Council the feasibility report's section on site choice and that it was considering the disclosure of this section to the press for reference. It is believed that this move can help people more closely study the issue of nuclear safety.

COMMENTARY ON GORBACHEV'S VLADIVOSTOK SPEECH

HK291330 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1135 29 Jul 86

[Short commentary by Yu Jin: "Does the Soviet Union Intend To Withdraw its Troops From Afghanistan and Mongolia?"]

[Text] On 28 July, Gorbachev, General Secretary of the CPSU Central Committee, gave a speech in Vladivostok (Haisenwei). In this speech, he said that the Soviet Union will withdraw some of its troops from Afghanistan in stages within the year and also intends to withdraw a substantial part of its troops from Mongolia. These two issues are related to two of the three major obstacles to the improvement of Sino-Soviet relations as China constantly states. Does this mean that the Kremlin has sincerity in improving its relations with China? This attracts people's attention.

After hearing Gorbachev's remarks, we must also see what action the Soviet Union takes in the future.

On the issue of withdrawing Soviet troops from Afghanistan, Gorbachev said the Soviet Union will pull out its troops in stages and will withdraw six regiments by the end of this year, including a tank regiment, two motorized infantry regiments, and three antiaircraft artillery regiments, totalling 6,000 to 8,000 troops. This merely accounts for less than 10 percent of the 115,000 Soviet troops stationed in Afghanistan. Moreover, as the Afghan resistance forces do not have an air force, the Soviet Union has no need to station the antiaircraft artillery troops in that country. Neither can the tank regiment and the motorized troops play a big role in the mountainous areas of Afghanistan. Therefore, the withdrawal of such six regiments will not affect the Soviet military presence in Afghanistan.

Gorbachev also mentioned the precondition for the Soviet troops withdrawal from Afghanistan. That is, "a political solution must be completely worked out." "If the interference in Afghanistan continues, the Soviet Union will not disregard her neighbor's sufferings." This means that all nations must stop their support for the Afghan people, and the Afghan guerrillas must stop their resistance and recognize the pro-Soviet regime in Kabul.

This condition will never be accepted by the Afghan people and by other governments in the world. Therefore opinion in many countries has expressed skepticism over the Soviet Union's sincerity for troop withdrawals from Afghanistan.

Regarding the issue of Soviet troop withdrawals from Mongolia, Gorbachev says only that discussions are under way with the Mongolian leaders, without further explanation of how many troops will be withdrawn, and the schedule for the withdrawal. On this, people will have to wait for further developments in the state of affairs.

Gorbachev did not touch upon the issue of Vietnam sending its troops to Kampuchea. Right now, the new Vietnamese Communist Party leader Truong Chinh is having a "vacation" in the Soviet Union. Will he talk over this issue with the Soviet leadership? What are the conditions in the talks between them?

Anyway, this is the first time the Soviet leadership has openly expressed the withdrawal of Soviet troops from Afghanistan and Mongolia, and the long-term rigid attitude of the Kremlin has relaxed somewhat, which is worth welcoming. People should not expect the Soviet Union to entirely remove the three major obstructions in Sino-Soviet relations all at once; if the Soviet Union really did withdraw its troops from Afghanistan and Mongolia step by step, and further reduce, and even stop, its support of the Vietnamese invasion of Kampuchea, the gradual defrosting of Sino-Soviet relations will be possible.

We should also see that the tremendous expenditure of the Soviet Army in its invasion of Afghanistan, its more than 400,000 troops stationed in Mongolia, and its support of the Vietnamese invasion of Kampuchea have seriously affected the Soviet economic development. Moreover, Gorbachev is pushing forward economic reform in a big way, which needs an increase in construction investment. Therefore, the Kremlin means to reduce some of its military expenditure. However, if the Kremlin should fail to make basic change in its foreign policies, it will not be easy for it to genuinely withdraw its troops from Afghanistan and Mongolia.

Speech Merits 'Highest Attention'

HK300108 Hong Kong TA KUNG PAO in Chinese 30 Jul 86 p 2

["Political Talk" column by Shih Chun-yu: "The Tashkent and Vladivostok Speeches"]

[Text] Beijing Stays Silent

Up to yesterday Beijing had still not commented in reaction to Gorbachev's 28 July speech in Vladivostok, saying only that it was studying the speech. However, XINHUA swiftly filed a report on the speech from Moscow on the day it was delivered. This indicates the importance attached by China's news media to this news item.

The press section of the PRC Foreign Ministry will hold a press briefing today, and Gorbachev's speech is expected to be the key issue raised by Chinese and foreign journalists.

On 24 March 1982 Brezhnev, then general secretary of the CPSU, made a speech in Tashkent in which he raised the question of improving relations with China. China reacted cautiously to that speech. Brezhnev also attacked China in his speech, saying that China "echoes imperialist policies on the world stage."

China Attaches Importance to Practical Deeds

A PRC Foreign Ministry spokesman issued a statement on this, saying that China had noted the Tashkent speech but "resolutely rejected the attacks on China contained in it." The statement also stressed that "it is the practical deeds of the Soviet Union to which China attaches importance in Sino-Soviet relations and in international affairs."

No Mention of Japanese Northern Territories

There has indeed been some progress over the past 4 and more years in the field of economic, trade, and cultural relations between China and the Soviet Union. Gorbachev used a moderate tone in dealing with relations with China in his speech. This was a marked change from Brezhnev's Tashkent speech of more than 4 years ago.

Gorbachev also had a good deal to say about improving relations with Japan. He said that good signs had appeared in these relations, and mutual visits between the leaders of the two countries were not on the agenda.

The Japanese Government has welcomed this, but it has also noted that the Soviet Union did not mention the "northern territories," the sole obstacle hampering normalization of relations between the two countries. The Japanese Government pointed out that the Soviet Union intended to shelve this deadlocked issue and develop economic cooperation. This has always been the Soviet Union's diplomatic strategy toward Japan, and it seems there has been no change in it.

Gorbachev's Speech Reflects Two Points

Gorbachev's speech reflected two points: First, the Soviet Union attaches more importance to economic development than during the Brezhnev era. The dispatch of troops to Afghanistan in recent years has become a heavy burden, and stationing troops in Mongolia also costs an enormous sum. A number of Western economic experts who have visited the Soviet Union hold that the deterioration of the country's economy is now accelerating. Due to the drop in international oil prices, there has been a sharp decline in the Soviet Union's foreign exchange income from oil and natural gas, which make up 70 percent of the country's export volume. In addition there are not enough consumer materials at home, and the situation can only get worse unless some way is found of cutting military spending.

Second, proceeding from the current national economic situation, Gorbachev has proposed eliminating bureaucratism and instituting economic reforms at home while striving for a more relaxed international environment abroad. The Soviet Union has a particularly practical need to improve relations with China and Japan, develop economic cooperation, and so on.

Of course, the world's peoples will pay attention to whether the Soviet Union will come up with further practical deeds to express its sincerity in striving for relaxation. First of all, the Afghan issue will be a test of the new Moscow policy. However, no matter what, Gorbachev's Vladivostok speech is a trend meriting the highest attention.

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